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## In Hungary, The Socialists Return, but Which Ones?

By David B. Ottaway  
*Washington Post Service*

BUDAPEST — The three slightly sheepish Socialist Party officials sat at a table in the local office here sipping coffee and discussing with a reporter the strange turn of events in their land — the return of socialists to power in the midst of a national drive to create a free-enterprise economy.

"It's a great problem," said Gyula Horvath, a self-employed handyman. "Workers are not members of the party any longer. It seems it is the task of the Socialist Party that we have to create capitalists now."

A colleague, Josef Kalapacs, the party's local campaign chief, is one prime example. A former highly skilled worker in the now defunct Csepel steel and iron works complex here, Mr. Kalapacs is now a shareholder in a struggling pipe-making enterprise spun off from the old parent state company.

"We have reached the stage where people are forced to become entrepreneurs," he said.

"There are now more entrepreneurs employing one or two people in the party than workers."

Since the fall of the old Communist regime in 1990, the sprawling Csepel complex, once Budapest's biggest industrial state enterprise, with 36,000 workers, has been cannibalized by foreign investors and local entrepreneurs who have created 97 small enterprises providing jobs to only 6,000 people.

Tamas Huszar, another former Csepel employee, is another new Hungarian entrepreneur. He has set up his own construction company building school sports halls around Budapest. He has also switched allegiance from the old-style Communist Workers Party to the reformed Socialists.

His greatest hope and expectation of the party is that it will improve the difficult lot of small entrepreneurs by making it easier to obtain bank loans and reducing the 53 percent health insurance tax he must pay for each worker.

"I want a stable economy, more credits for entrepreneurs, lower interest rates on loans, and tax relief," he said, explaining all the financial problems facing his company that employs 15 full-time people.

It is difficult to imagine what Karl Marx, the 19th-century ideological grandmaster of socialism, would say if he were alive today listening to these three "socialists" talking about their complaints and their capitalist aspirations.

All three readily agreed, for example, that the state "should get out of the economy," although they had different views as to just how fast this should happen and what residual role it should play.

Their views reflect one of the many strange paradoxes of modern-day Eastern Europe, namely that an important and growing constituency of the former Communist parties is a budding entrepreneurial class whose interests are far from those of the once beloved proletariat.

The Hungarian Socialist Party, which is about to form Hungary's next government, consists of a veritable hodgepodge of conflicting interest groups. There are unscrupulous old Communist apparatchiks, labor union leaders, reformed social democrats, struggling small entrepreneurs and the new class of big capitalist "red barons" born of the old party elite.

But leading the flood of roughly 1.5 million new voters for the Socialist Party on Sunday, according to Robert Mancini of the Hungarian Gallup polling company, are Hungarians from

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A hungry family of Tutsi refugees waiting for food to be distributed at Kabgayi camp, as thousands of displaced people continued to swarm in the area near the border with Burundi.

## How Serbs Have Managed to Beat the Embargo

By Roger Cohen  
*New York Times Service*

BELGRADE — With hyperinflation overcome, new boutiques overflowing with Italian shoes and American jeans, food abundant and industry showing a modest recovery, Serbia today suggests that a long trade embargo stimulates ever more sophisticated uses to circumvent it.

At a time when the United Nations has tightened sanctions on Haiti in an attempt to dislodge its military rulers, President Slobodan Milosevic of Serbia appears stronger than ever two years after the imposition of draconian trade sanctions.

Mr. Milosevic, who is widely seen as the orchestrator of the militant Serbian nationalism that has unified across Bosnia, was never explicitly targeted by the sanctions imposed on May 30, 1992. But U.S. officials have made little secret of the fact that they would not have risked his fall.

The embargo has cost the rump Yugoslav state of Serbia and Montenegro tens of billions of dollars. Since it was

imposed, economic output has dropped by half and the suicide rate has increased by 22 percent. Moreover, it induced a monthly inflation rate of over 300 million percent by last December, plunging the nation into economic chaos.

But it now seems more an irritant than a threat.

The 74-year-old economist responsible for this shift and the soaring popularity of Mr. Milosevic may be found every evening at 6:15 in the sputin bar of the central Hotel Moskva. The economist, Dragoslav Avramovic, who worked 24 years at the World Bank in Washington, is now such a hero that the currency he introduced in January is widely known as the Avram.

In fact, the currency is the new dinar and its exchange rate of par with the German mark has held steady since its appearance on Jan. 24, resulting in great affection for it among people whose former salaries of millions, even billions, of old dinars had become virtually worthless.

Since January, inflation has been close to zero. Goods have reappeared in stores. State television now dwells on businesses

rather than war, and the mood, while scarcely euphoric, has inched away from the dazed and defiant despair of December.

"We have turned the corner," Mr. Avramovic, now the governor of the National Bank of Yugoslavia, said with a gleam in his eye. "The currency is steady, we have achieved agricultural independence, and industrial production is up 40 percent since the end of last year. We hope sanctions will be lifted, because all they do is create enemies. But our program is sustainable whatever happens."

That claim appears questionable. With no access to foreign loans or finance, and business in foreign markets confined to illicit if expanding transactions, there may be a limit to how long Mr. Avramovic can prevent the government from paying its bills by printing money and so igniting inflation.

"Hard-currency reserves are not sufficient, production cannot achieve sustained expansion under an embargo, and so the budget deficit must grow by the end of the year, leading to

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## Forget the Idea of Women Priests, Pope Tells Catholics

By Alan Cowell  
*New York Times Service*

ROME — Pope John Paul II told the world's Roman Catholics on Monday to abandon any thought of the ordination of women as priests, saying that the issue was not open to debate and that his views must be "definitively held by all the church's faithful."

Although the Pope's words fell just short of a formal statement of infallible doctrine, his particularly severe and anathoristic tones in a letter to bishops suggested that he was seeking

to remove the idea of women priests from the Catholic agenda for decades to come.

Coming only three days after the Vatican unveiled the English translation of its new universal catechism with gender-inclusive language excised, moreover, the statement seemed certain to reinforce the impression of a profoundly conservative papacy wary of any feminist intrusion.

"Although the teaching that priestly ordination is to be reserved to men alone has been preserved by the constant and universal tradi-

tion of the church and firmly taught by the magisterium in its more recent documents," the letter said, "at the present time in some places it is nonetheless considered still open to debate, or the church's judgment that women are not to be admitted to ordination is considered to have a merely disciplinary force."

"Wherefore, in order that all doubt may be removed regarding a matter of great importance, a matter which pertains to the church's divine constitution itself," it said, "in virtue of my ministry of confirming the brethren I de-

clare that the church has no authority whatsoever to confer priestly ordination on women and that this judgment is to be definitively held by all the church's faithful."

The apostolic letter was entitled "On Reserving Priestly Ordination to Men Alone."

The Vatican says the priesthood should be reserved for men on the scriptural grounds that Jesus chose only men as his apostles.

"The church has always acknowledged as a perennial norm her Lord's way of acting in

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## Kiosk

### Israeli Reservist Killed in Clash

JERUSALEM (NYT) — An Israeli Army reservist was killed during a clash with Palestinian gunmen on the border between the Gaza Strip and Israel, but he may have been shot accidentally by another soldier, the army said Monday.

The army also began releasing several hundred Palestinian prisoners as part of the agreement between Israel and the Palestine Liberation Organization on self-rule in Gaza and the West Bank town of Jericho.

The shooting incident was the latest test of control for the Palestinian police force, which has taken over responsibility for security in much of the Gaza Strip since an Israeli pullback there two weeks ago.

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### Ezra Taft Benson Dies

SALT LAKE CITY (AP) — Ezra Taft Benson, 94, a former U.S. agriculture secretary who became identified with the John Birch Society and other rightist political groups, died Monday. He had also been president of the Mormon Church.

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NORMANDY REHEARSAL — U.S. soldiers practicing the flag-folding ceremony in advance of D-Day celebrations. England, meanwhile, is on a nostalgia kick. Page 2.

## Return of Nazi Documents to Germany: A Milestone (and Doubts)

By Rick Atkinson  
*Washington Post Service*

BERLIN — More than 100 times a minute, 50,000 times a day, a camera shutter clicks in a windowless basement in southwest Berlin, capturing on each frame a fragment of Germany's grim past.

Thirteen camera operators labor throughout the day on what some here say may be the most ambitious microfilming project ever undertaken: the duplication of 75 million pages of Nazi personnel documents stored in a former Gestapo eavesdropping post now known as the Berlin Document Center.

The microfilers work swiftly because on July 1 the U.S. State Department intends to relinquish custody of the original documents to the German government. The duplicates — 8 million feet of film on 38,000 rolls — will be flown to Washington this summer and deposited in the National Archives. The Justice Department keeps the right to unrestricted access to the original files.

The pages passing beneath the camera lens range from the

prosaic to the sinister: Heinrich Himmler's expense account; Nazi Party membership card No. 899,895, belonging to Adolf Eichmann; Josef Mengele's dental records and membership sheet in the Nazi Physicians Professional Association; and Hermann Göring's suicide notes, scribbled before he swallowed cyanide in 1946.

Among the old files with contemporary relevance is that of Erich Priebke, a former SS captain now awaiting extradition in Argentina on charges of helping to murder 335 Italians in Rome's Adreline Caves in 1944.

Returning the original documents to German custody is another milestone in the restoration of German sovereignty after a half-century of Allied occupation. But the proposed transfer has met resistance. Historians, Jewish groups and Nazi hunters have bitterly objected to the State Department's plan. They complain that restrictive German privacy laws will hamper access to the original documents, that the National Archives duplicates will not be available for at least two years and that surrendering the files is morally wrong.

"I'm reminded of the old saying that if it ain't broke, don't fix it," said Alan Steinberg, executive director of the World Jewish Congress, in a phone interview from New York. "The Berlin Document Center ain't broke right now, and I don't know why we're trying to fix it."

Representative Tom Lantos, Democrat of California, who led hearings on the document center last month, has threatened a full debate in Congress "on Germany's Nazi past" unless Bonn and the State Department resolve the controversy.

Chancellor Helmut Kohl and Foreign Minister Klaus Kinkel recently promised Jewish leaders that rules governing access to the original documents would remain in line with U.S. regulations until the National Archives duplicates are ready for viewing. U.S. Embassy officials in Bonn are trying to hammer out the details.

"This is something that has been negotiated over quite a long period of time and has been reviewed from every angle that I can imagine," said Dan Hamilton, policy adviser to Richard Holbrooke, the U.S. ambassador to Germany.

"When concerns have been raised, they've been reviewed again."

Donald Kobler, the State Department's lawyer in Berlin in the 1980s and now a private attorney here, said: "Can you tell a sovereign government, one of your closest allies, that 50 years after the war you don't really trust them to keep their own records? After getting microfilm copies, paid for by the German government? I would consider it a gratuitous irritation to our relationship that really isn't warranted."

Many of the files were seized by Allied troops driving across Germany — such as some 10.7 million Nazi Party membership cards impounded by American soldiers at a Bavarian paper mill as the SS prepared to reduce them to pulp. The cards provided useful evidence for prosecutors at the German War Crimes tribunal in Nuremberg.

Since then, the archives have proved invaluable for historians scrutinizing the Third Reich, for German officials sorting out immigration requests and for Nazi-hunters looking for leads.

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Newsstand Prices  
Andorra ..... 9.00 FF Luxembourg 60 L Fr  
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France ..... 9.00 FF Saudi Arabia ..... 9.00 R.  
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Ivory Coast ..... 1.20 CFA Tunisia ..... 7.1. 25.000  
Jordan ..... 1.20 JD U.A.E. ..... 2.50 Dirh  
Lebanon ..... US\$1.50 U.S. MIL (EUR) \$1.10

# Invading Haiti Easy, Leaving Tougher, U.S. Aides Say

By Michael R. Gordon  
and Eric Schmitt  
*New York Times Service*

WASHINGTON — American intelligence officials have concluded that a United States-led invasion to restore the Reverend Jean-Bertrand Aristide to power in Haiti would succeed easily.

But they warn that it would not bring a quick end to the turmoil and violence that have swept the country, and that an international force to maintain order could be needed there for years.

The view, which represents a broad consensus among intelligence agencies and some of Father Aristide's staunchest supporters, comes as the Clinton administration is struggling to develop a plan both to return the deposed president and to create conditions so he can govern peacefully.

While President Bill Clinton is relying on economic sanctions to persuade Haiti's military leaders to leave, he has pointedly refused to rule out military force.

Pentagon officials are confident that

Haiti's minimally equipped 7,500-man armed forces could easily be swept aside. A force of 650 Marines — the kind of force officials said might serve as an invasion vanguard — was sent for training to Guantanamo Bay last week.

Whether Mr. Clinton uses diplomacy or power, he faces the difficult task of trying to rebuild Haiti's military and political institutions while avoiding an open-ended commitment of troops.

Determined not to repeat the mistakes of Somalia, administration officials say Washington will not launch any military operation in Haiti without a firm plan for disengagement.

So far, the administration's plan for keeping the peace in Haiti after Father Aristide's return is sketchy.

Senior administration officials said Washington saw a need for a peacekeeping force of several thousand to help protect Father Aristide, retrain the Haitian mil-

itary and keep order through 1995, the end of Father Aristide's term.

But the United States and its allies have not yet agreed on the exact size and duties of the peacekeeping force, or the extent of the U.S. role or how long the force would need to be restored to power in a matter of months.

Mr. Clinton has cited the threat of a surge in refugees trying to come to the United States, and has said Haiti is a staging area for drug shipments.

Strobe Talbott, the deputy secretary of state, said in an interview: "It is our intention to send a very clear signal to the military and police leadership in Port-au-Prince that this situation is urgent, and at the end of the day, they're going to be gone, and that the end of the day is not that far off." To that end, the administration has pushed for tougher and more rigorously enforced economic sanctions.

William H. Gray 3d, the administration's new special envoy for Haiti, said it

was far too soon to conclude that sanctions would not be effective. The United States is pressuring the Dominican Republic to seal its border with Haiti.

"The sanctions are at a level totally different than in the past," Mr. Gray said. "What we've really got to do is restore democracy. Along with that, we have to ensure that the military and police are compatible with democratic values. And we've got to bring economic growth and the prospect of hope. All three have to be done together."

But some analysts contend that the economic sanctions will backfire by raising the general level of misery in Haiti, the poorest country in the hemisphere, unleashing a new flood of refugees and putting pressure on the administration to take military action.

Even some administration officials are skeptical that sanctions will work in the months that Washington seems to be allotted for the military rulers to be removed.

## Italian Neofascist Snubbed in Brussels

Compiled by Our Staff From Dispatches

BRUSSELS — A Belgian representative complained angrily on Monday about the presence of a member of Italy's National Alliance at a meeting of European Union telecommunications ministers and said he would have no contact with officials from a party with neofascist roots.

The official, Elio di Rupo, Belgium's deputy prime minister and telecommunications minister, said he would avoid all personal, bilateral contact with the Italian deputy prime minister and telecommunications minister, Giuseppe Tatarella, one of five members of the neofascist-led National Alliance in the new Italian government.

In a statement to other telecommunications ministers at the start of the meeting, Mr. di Rupo said it was the first time in the history of

the union that a government had sent to Brussels a minister with political roots in the Italian fascism of the 1930s and 1940s.

"This reality is too important to be trivialized," said Mr. di Rupo, the son of an Italian immigrant to Belgium.

European Union officials said Mr. Tatarella responded by reaffirming his party's commitment to liberty, democracy and respect for others without regard to nationality, religion or sex. He also said he respected the right of Mr. di Rupo to have doubts.

Mr. Tatarella said his party represented a democratic movement on the right of the political spectrum, not a counter movement to those values. "Judge us on our behavior and on the policies that we follow," a diplomat quoted Mr. Tatarella as saying.

The National Alliance has no links with fascism, Mr. Tatarella said. "Its members belong to the political right, democratically formed. They are not fascists."

Four National Alliance members in the coalition cabinet of Italy's new prime minister, Silvio Berlusconi.

Mr. di Rupo said he was not worried that the party could hurt Italy, which he called a democratic country, but he said the example of rightist members in Italy's cabinet could have more dangerous consequences in less stable countries.

In another development, the leader of the federalist Northern League, Umberto Bossi, a member of the coalition, suggested on Monday that tough action should be taken to limit Mr. Berlusconi's media interests.

"Our next battle will be on antitrust legislation," Mr. Bossi said at a campaign rally for the June 12 European Parliament election. "We'll see in six months' time whether there is still someone who can manipulate news in this country as there is now." The prime minister owns three national television channels.

(AP, Reuters)

## 2 Hurt in Attacks In Hamburg on Turkish Targets

Reuters

HAMBURG — Two people were hurt in arson attacks against Turkish targets in Hamburg, the police said Monday, a day after the anniversary of a neo-Nazi firebombing in which five Turks died.

A Hamburg police spokesman said the attackers hurled firebombs into a Turkish restaurant and into two Turkish cultural centers shortly after midnight.

The two injured people were in the restaurant, and one of them was taken to hospital to be treated for burns. No one was hurt in the other attacks.

The spokesman said that police suspected that the incidents were part of a clash between "left-wing and right-wing" Turks and that there was no indication of a racist or neo-Nazi motive.



Backers of Mr. Pastrana in a peaceful demonstration Monday in Bogota. Troops were on alert, but there was no violence.

## 2 Moderates to Vie in Colombia Runoff

By James Brooke  
*New York Times Service*

BOGOTA — Two moderates will face each other in a June 19 runoff election for the presidency of Colombia, after nearly complete returns were counted on Monday.

In Colombia's most peaceful election in recent memory, voters on Sunday reduced a crowded field of 18 to Ernesto Samper Pizano, a Liberal, and Andres Pastrana Arango, a Conservative. With 97 percent of the vote in, Mr. Samper had won 45.2 percent to Mr. Pastrana's 44.9 percent.

"This was much more tranquil than we had expected," said Colombia's defense minister, Rafael Pardo Rueda. He had stationed troops at nearly all of the 47,000 polling places.

The elections marked a return to Colom-

bia's century-old tradition of two-party politics and an eclipse of the M-19 Democratic Alliance.

Antonio Navarro Wolff, the candidate of this former guerrilla group, polled less than 4 percent of the vote, well below the 13 percent he was won in Colombia's last presidential election in 1990.

"What happened to Navarro is typical of Colombian politics," said Vicente Torrijos, an international studies professor here. "As a political outsider, he had a certain mystique. Then he started to run his movement along nondemocratic lines. As health minister, he fell into patronage politics."

The M-19 will retain a residual force for the next three weeks as Colombia's two presidential candidates compete for endorsements leading up to the runoff.

On issues pertaining to the United States, both Mr. Samper and Mr. Pastrana maintain essentially identical positions.

Both have vowed to negotiate Colombia's entry into the North American Free Trade Association by 1998, the end of the new president's term.

On Colombia's cocaine trade, both candidates have vowed to maintain the current policy of negotiating with cartel leaders to surrender in plea bargains. Neither supports changing Colombia's constitution to allow the extradition of suspected drug traffickers to the United States for trial.

Surveys showed that fighting the drug trade was not a priority for Colombian voters. Colombians will be looking at the candidates' capacity to reduce unemployment, poverty and violent crime and make peace with the guerrillas.

## England Gets 'In the Mood' for D-Day Week

By William E. Schmidt  
*New York Times Service*

LONDON — Up on the stage, the orchestra swang into the old Glenn Miller tune "In the Mood," and the floor at The Royal Albert Hall began to fill with dancers, graying English men and women mostly, some wearing the carefully tailored brown tunics of World War II U.S. Army officers, others the dark blue kit of British naval commanders.

Above the arena, average soldiers in white helmets, brown boots and white puttees of U.S. Army MP's stood stiffly at the doors, playing their part to the tee, while women wearing pillbox hats circled the dance floor, carrying trays piled high with sugared doughnuts.

"As hard as times were, it was such a wonderful atmosphere in those days," said Violet Wright, a 68-year-old London woman, her toe tapping out the swing rhythm as she took in the scene, a staged reconstruction of a wartime London canteen.

She paused then, and added: "But things were so different back then, too, weren't they? England used to be like a big international firm, and now, well, sometimes it seems as if the country has just gone into liquidation."

It's D-Day minus six, 50 years later, and as Britain prepares this week to celebrate and commemorate the anniversary of the landings, much of the nation seems as if it has fallen into a kind of misty warp, swept back a half-century on a tide of nostalgia and melancholy, a strange journey colored by

memories of hard times and bird victories as well as recollections of an England that has been lost and can never be regained.

"D-Day foreshadowed not simply the ultimate defeat of Germany and the long march across a humiliated and occupied France," wrote The Guardian, a London newspaper, in an essay last week, "but also the humiliating of British pretensions to remain a great and imperial power."

Indeed, after bravely balking out alone against the Nazis, Britain was effectively occupied by a friendly American expeditionary force in the months before the D-Day invasion. The wartime memories of most Britons even now are colored and shaped by their early contacts with the invading Yanks, and their imported appetites for everything from cold beer and hot dogs to hot jazz.

Inside the Royal Albert Hall, George Ward, a retired, 69-year-old lecher from West London and fan of 1940s dance music, remembered the Americans in London.

"They were wonderful, and we couldn't have done it without them," he said. "But while the invasion was a great Allied victory, it was also Britain's final moment of world importance. After the war, well, we haven't lost our tempo well since then."

As the anniversary of the D-Day landings has approached, Britain itself has appeared at times unable to decide exactly how it should go about marking the occasion. Last month, for example, several British veterans' organizations rallied at the government or

Prime Minister John Major, attacking a government-sponsored schedule of events that included Spam-fritter cooking contests as both demeaning and trivial.

The government promised to put more emphasis on commemoration rather than celebration, although most of the British veterans, like the Americans who have crossed the ocean to join them, so far seem more interested in just getting together, finding their old mates and sharing memories.

In Southampton, the southern coastal port

where the invading armada set out 50 years ago for the Normandy beaches, more than a thousand veterans assembled Friday, wearing their combat medals on their jackets and standing in the spring sunshine to be reviewed by Prince Philip, the Duke of Edinburgh.

The veterans' passion for the past has fueled a seemingly unquenchable demand for World War II nostalgia, and a booming cottage industry in books, videos, music, fision and magazines devoted to the period.

The program at the Royal Albert Hall on Sunday night was sponsored by Britain at War, a London World War II theme museum, and drew nearly 1,000 guests, who paid \$37 apiece to dance to two 1940s-era bands, one of which was conducted by John Miller, the nephew of Glenn Miller.

"Busy! Have I been busy?" bellowed Mr. Miller, wearing a vintage U.S. officer's uniform, just like his Uncle Glenn, and yelling to be heard over the band's music. "Two days off since May 1, and that's only because

of a scheduling glitch. People here can't get enough of the wartime."

For several weeks, towns across the south of England, the staging area for the Normandy invasion, have been gearing up for the anniversary. Local radio stations have been giving over entire programs to interviews with veterans, to recall their memories of the invasion. Trees have been planted and plaques unveiled. In Dorset, the local museum is running an exhibition on civilian life during the war years. In Weymouth, the downtown theater is showing World War II newscasts.

In Salisbury, there was a garden party Monday at Wilton House, where the Allies carried out the final planning for the invasion, and Sunday night there was a remembrance concert inside the Salisbury Cathedral, where hundreds gathered to sing Lili Marlene and watch former Prime Minister Edward Heath, war medals gleaming on his chest, conduct the Royal Air Force Band.

Outside the Royal Albert Hall, there were jeeps draped with camouflage netting, and searchlights piercing the spring sky. They had been set up by Blitz, a suburban London group that caters everything.

Inside the hall, Margaret Whiting, the singer, was on stage, singing "Moonlight in Vermont," and Betty Hutton was in the audience, sitting with her husband thinking of times that used to be. "I wouldn't want to live through the war again," she said. "but at least, England felt it was one big family where people looked after one another. We could use that spirit again."

The suspects arrested Wednesday, identified by investigators as Xu Yang, 19, and Khanchang Kei-soumawansane, 19, are being held on charges of murder, attempted murder and robbery.

## Teenager Seized Over Shooting of German Tourists

Reuters

RIVERSIDE, California — The police have arrested a 17-year-old in connection with the murder of a German tourist and the wounding of her husband at a mountain lookout in southern California, officials said Monday.

The teenager, whose name was not made public because of his age, was captured Sunday in West Valley, Utah, a suburb of Salt Lake City, investigators said.

"We do believe him to be the shooter in this case," the Riverside County sheriff, Cois Byrd, was quoted as saying.

Two other suspects were arrested last week in the shooting death of Gisela Pfleger, 62, and the wounding of her husband, Klaus Pfleger, 64.

They were attacked May 16 after they pulled their rental car off at a road to a scenic lookout in the San Jacinto Mountains near Idyllwild, southeast of Los Angeles.

The suspects arrested Wednesday, identified by investigators as Xu Yang, 19, and Khanchang Kei-soumawansane, 19, are being held on charges of murder, attempted murder and robbery.

## WORLD BRIEFS

### Rightist Fires Shot Near Hosokawa

TOKYO (UPI) — A rightist nationalist fired a single gunshot near former Prime Minister Morihiro Hosokawa in a hotel lobby Monday, but Mr. Hosokawa was unharmed.

The police and members of the "SP," Japan's equivalent of the Secret Service, immediately arrested the assailant. Press reports said the man told the police that he was angry over Mr. Hosokawa's apologies last year for Japan's aggression in World War II, and over Mr. Hosokawa's inability to end Japan's long-standing recession.

The assailant was identified as Masakatsu Noroe, 52, said to be a member of a nationalist fringe group which maintains that Japan was in the right when it invaded East Asian countries and attacked the United States. Such organizations were furious last year when Mr. Hosokawa declared Japan "the aggressor" in the war and apologized to the victims of Japanese attacks and conquest.

### Russia Confirms Missile Retargeting

MOSCOW (AP) — Russia and the United States are no longer aiming nuclear missiles at each other's territory, a leader in the Russian Parliament affirmed Monday during a meeting with members of the U.S. Senate.

The declaration by Sergei Yushekov, who heads the Defense Committee of the State Duma, the lower house, was later amplified in a Foreign Ministry statement.

The U.S.-Russian agreement to stop aiming long-range nuclear missiles at each other was reached during President Bill Clinton's visit to Moscow in January. It was later joined by Britain.

### Mandela to Continue Amnesty Talks

PRETORIA (AP) — President Nelson Mandela stepped up efforts to reassure whites about their future in black-led South Africa on Monday, announcing negotiations with two conservative parties.

Despite recent warnings that he was being too generous in forgiving political violence, Mr. Mandela said talks would continue on whether whites accused in a pre-election terrorist bombing spree that killed 21 people might be granted amnesty.

Speaking to reporters after a meeting with the Conservative Party leader Ferek Hartzenberg, Mr. Mandela said his government, the Conservative Party and the Freedom Front would meet soon to discuss demands by some whites for a homeland within South Africa. Mr. Hartzenberg boycotted the first South African elections to include blacks, but last week for the first time endorsed further talks and seemed to give up his original goal of a completely independent white territory.

### Hong Kong Defends Ban on 2 Exiles

HONG KONG (AP) — Governor Chris Patten on Monday defended the government's decision to bar two exiled Chinese scholars living in the United States from attending a democracy seminar in Hong Kong.

Without naming the scholars, Mr. Patten told reporters that "sensitive moments" the government should not allow people to use the colony to criticize what is happening elsewhere.

The two scholars, Xuan Ming and Li Binyan, told seminar organizers last week that British consular

# THE AMERICAS / REVEALED: SPY SECRETS

## CIA Spy's Memory Slips on a Crucial Date

By Walter Pincus  
*Washington Post Service*

WASHINGTON — Among the double agents that Aldrich Hazen Ames, the former CIA officer, has admitted exposing to Moscow was Oleg Gordievsky, the KGB's one-time top officer in London and the most important Soviet spy ever recruited by MI5, Britain's security service.

Problem is, Mr. Ames cannot say exactly when he told Moscow about Mr. Gordievsky.

The Federal Bureau of Investigation had concluded it was on June 13, 1985, when Mr. Ames turned over to a Soviet Embassy employee in Washington an envelope containing a list of code-names or other identifying cues for all the Soviet citizens he knew were in the pay of the Central Intelligence Agency or allied governments.

The FBI fixed on that date using photographic, electronic and other surveillance records that are supposed to have recorded all those who visited the Soviet Embassy, sources said.

But the FBI did not consult with Mr.

Gordievsky or read the book that he wrote in 1990, the sources said. In the book, Mr.

Gordievsky said he was mysteriously or-

dered back to Moscow from London on May

17, 1985, four weeks before the FBI has Mr.

Ames turning over his list. Mr. Gordievsky

also wrote that on May 27, 1985, he was

drugged, interrogated by KGB officials in

the Soviet Union and "directly accused of

working for the British."

His information gave top leaders in Lon-

don and Washington what one former high-ranking CIA official called "an amazing look inside the Kremlin."

From London, Mr. Gordievsky would re-

port on gossip he gathered and conversations he had with visiting Soviet officials and KGB officers. His reports covered China, Nicaragua, even the United States. The information he conveyed about the internal workings of the Kremlin "went way beyond any reporting we were getting," the former CIA official said.

Only a handful of top CIA officials knew the material was coming from a KGB source to London and from an individual senior enough to assume charge on occasion of the Soviet Embassy there. Mr. Ames, along with a handful of other officers in the CIA operations directorate, was able to determine that MI5's source came from the KGB station in London.

According to Mr. Gordievsky, he was un-

expectedly recalled to Moscow in a cable he received May 17, 1985, saying that he would be formally appointed head of the KGB's London operation and that two Politburo members wanted to talk to him. When he arrived in Moscow on May 19, he found his apartment had been searched.

For a week, nothing happened. Then he

was taken in a KGB dacha outside Moscow

for a lavish lunch that included large

amounts of liquor. After the meal he felt

drugged.

He was then subjected to sharp question-

ing for the rest of the day, including accusa-

tions he had become a British agent. He denied the charges and maintained his innocence.

Mr. Gordievsky was released, but he was told he would not be allowed to serve outside the Soviet Union again. He was relieved of duty and told he had to report to KGB headquarters for a new assignment on Aug. 3, 1985. Mr. Gordievsky wrote in his book that he believed the Soviets were waiting to see if they could catch him secretly meeting with MI5 agents.

On July 19, without giving notice to his family, Mr. Gordievsky and MI5 agents carried out a bold escape plan. He was picked up by agents on a street outside Moscow while jogging with a KGB guard just yards away. He was smuggled out of Russia through a route that remains secret.

Mr. Ames said that after turning over his envelope with the agents' names in mid-1985, he heard nothing from the Soviets until September. As he recalled during an interview last month, a Soviet Embassy official "passed me a written message in which they expressed their gratitude and they said they had put aside \$2 million for me."

"I was surprised and shocked at the magnitude of that," he said.

One former intelligence official said Mr. Gordievsky's escape convinced the Soviets that he was working for the British and thus assured Moscow that in Mr. Ames they had found the double agent they had always been seeking.



William Wilson Lewis/Al The Associated Press

Khalid Abdul Muhammad being helped by his aides after he was shot in Riverside, California.

## Ex-Farrakhan Aide Wounded

### Crowd Batters Black Attacker After California Speech

By Tom Gorman  
*Los Angeles Times Service*

RIVERSIDE, California — An outspoken minister of the Nation of Islam, Khalid Abdul Muhammad, was shot by a man whom police described as a former member of the black Muslim group.

Mr. Muhammad, 43, was struck in the left leg by at least one of five or six shots from a 9mm handgun.

He was in satisfactory condition on Monday at Riverside Community Hospital, according to an associate.

Two Nation of Islam bodyguards were also wounded. Caliph Sadig, 33, was in satisfactory condition with a wound in the upper right back.

Another guard, Varnado Puckett, 34, was shot three times. He was in serious condition, undergoing surgery at Riverside General Hospital.

The gunman — wearing the dark suit, white shirt and bow tie characteristic of what his people were wearing — said he was a University of California, Riverside, spokesman — stepped from a crowd of some 50 people outside the auditorium where Mr. Muhammad had just spoken Sunday and fired from 5 to 10 feet away.

The gunman was severely beaten by the crowd, some of whom reportedly shouted, "He works for the Jews." Mr. Muhammad was dismissed as an aide to the Nation of Islam leader, Louis Farrakhan, after making anti-Semitic remarks last year.

The police plucked the bloodied man from the angry crowd and put him in a police car until he could be taken away by ambulance. He was identified on Monday as James Edward Bess, 49, of Seattle, who was expelled from the Nation of Islam three years ago.

A Muhammad friend who was standing on the

auditorium steps next to him when he was shot said that someone had just asked him to compare the struggle of Latinos with those of African Americans.

"The last thing I remember him saying was, 'The same dog that bit you, bit me,'" said the friend.

"After that, just pop, pop, pop, pop, pop. It was so close," he said. "I just took my daughter and hit the ground. I heard a bullet echo in my ear, and I could smell gunpowder."

In the chaos after the shooting, he said, several young black men attacked some white people who had rushed to the scene, but others who had been at the speech intervened.

Two Nation of Islam bodyguards were also wounded. Caliph Sadig, 33, was in satisfactory condition with a wound in the upper right back.

Another guard, Varnado Puckett, 34, was shot three times. He was in serious condition, undergoing surgery at Riverside General Hospital.

A photographer said angry supporters beat the gunman as the police tried to stop them.

"They were just kicking and stomping him in the head," he said. "That's where the pandemonium was. They dragged the shooter out by the nape of his neck, blood dripping. People were still trying to get their kicks in. The police were trying to protect him. And the people wouldn't let him get out."

A student who attended the speech, saw the suspect later, "a bloodied head, and propped up" in the back of a police car.

Under intense security that included pat-downs and bag searches and a hefty presence of police, campus security and Fruit of Islam, nearly 450 people had entered the Student Recreation Center to hear Mr. Muhammad.

During the speech, about 70 protesters picketed silently outside, among them Jewish and Roman Catholic students.

## POLITICAL NOTES

### 'Little More Time' on Health

WASHINGTON — The Clinton administration insists that Representative Dan Rostenkowski's legal troubles will not stop the "real momentum" toward passing a health-care reform bill this year. But a ranking congressional Democrat acknowledged that "it will take a little more time."

Mr. Rostenkowski, Democrat of Illinois, who is chairman of the House Ways and Means Committee, has until Tuesday to decide whether to accept a plea bargain agreement or risk indictment on federal corruption charges. Under Democratic caucus rules, if he is indicted he would have to step down as chairman of his committee.

He has denied any wrongdoing and is thought to be ready to fight the charges, which include taking illegal cash payments from the House post office and putting people on his office payroll who did not work.

"It is my understanding that they asked him to plead guilty to charges he's not even familiar with," said Representative Charles B. Rangel of New York, the senior Democrat on the committee.

Mr. Rangel told ABC News that he thought Mr. Rostenkowski was "going to go to trial."

If so, Mr. Rangel said, "it would take a little longer and all of us would have to pick up more of our weight" in order to get the health care bill passed.

"It could be that the president may have to get involved," he said. "But we'll move ahead. Will we need extra help? Will we need a little

more time? I think so, but we're going to do it."

But a Republican member of the committee, Representative Rick Santorum of Pennsylvania, said that without Mr. Rostenkowski as chairman, "we may in fact get a bipartisan coalition put together."

"Without the chairman," he said, "there we have a great opportunity to make sure the American public gets the kind of health insurance they want."

(AP)

### Christopher Saigon Visit?

WASHINGTON — Speculation is growing in Washington that Secretary of State Warren M. Christopher will make a groundbreaking visit to Vietnam this summer.

Mr. Christopher is scheduled to travel to Bangkok on July 26 for the annual meeting of the Association of Southeast Asian States.

Nothing has been announced, but he may go to Hanoi before or after that meeting. The United States announced recently that it had finished arrangements to set up a liaison office in Hanoi.

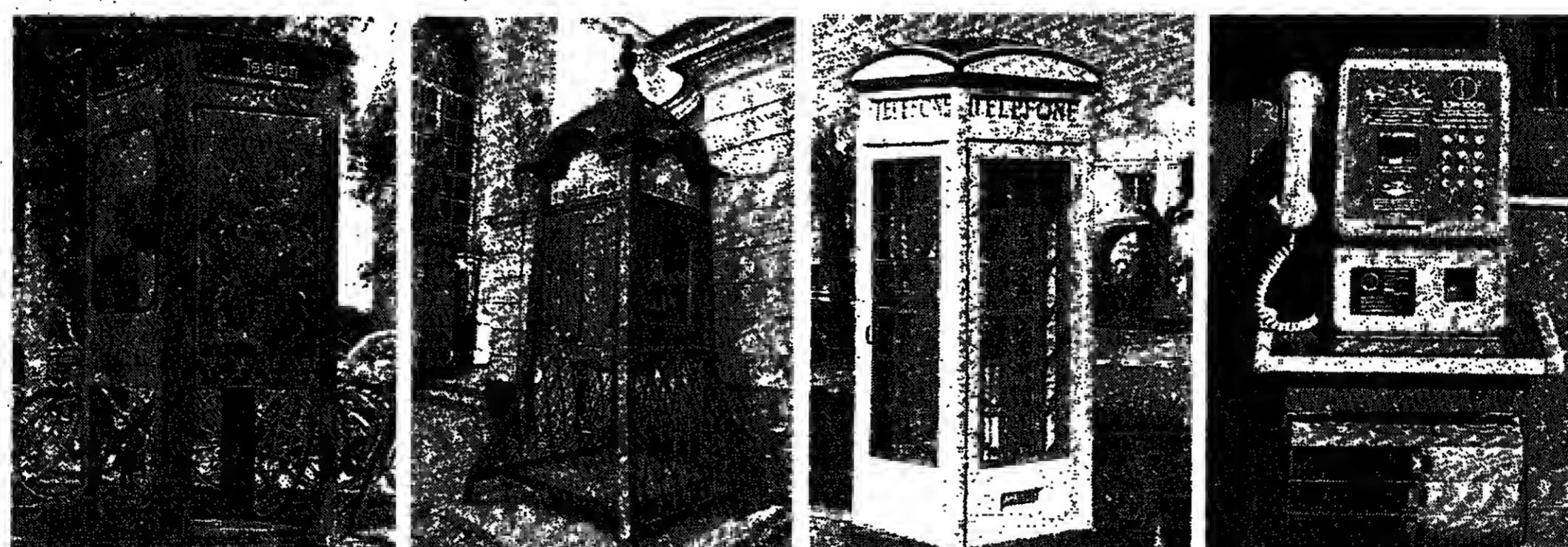
Assistant Secretary of State Winston Lord is about to go to Vietnam, and there is speculation that among his responsibilities is to make preparations for a visit by Mr. Christopher. If Mr. Christopher does make the trip, he would be in position to open up the new liaison office himself.

(L47)

### Quote/Unquote

W. Anthony Lake, the national security adviser, on the president's trip to Europe to celebrate the 50th anniversary of D-Day: "Let me emphasize this: This should not be seen as a victory over Germany and over Italy. I think the president will be trying to make it clear that we are not celebrating the defeat of certain nations; we are celebrating the victory of an idea, a liberating idea of democracy."

(L47)



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# In Crimea, Hail to the Chiefs

## Two Sides Claim Power in Autonomy Fight

By Alessandra Stanley  
*New York Times Service*

**SIMFEROPOL, Ukraine** — Two men who both claim to be the chief of law enforcement of Crimea sit in the same government office building. They use separate entrances and act as if the other does not exist. A sign at the front door says the Crimean Interior Ministry.

Last week, workers hastily erected a large plaque over the rear entrance declaring the building the Ukrainian Interior Ministry's department in Crimea.

It is perhaps the oddest episode in the war of nerves over how far Crimea will go to gain autonomy from Ukraine. Valeri Kuznetsov, the man appointed interior minister by the president of Crimea two months ago, controls the 13,000-man police force. But two weeks ago, the president of Ukraine ordered Ivan Kolomytsev, the former head of the local KGB, to replace Mr. Kuznetsov. The 1,000 members of the department's security force answer to Mr. Kolomytsev.

Both men are waiting for politicians in Moscow. Simferopol, and Kiev to settle the stand-off. The wait is not always serene.

### Chechens Blame Moscow for Blast

*The Associated Press*

**MOSCOW** — Authorities in the breakaway Caucasus province of Chechnya held Moscow responsible on Monday for what was apparently an attempt to assassinate their president, Dzhokhar Dudayev, news reports said.

Mr. Dudayev escaped injury when a roadside bomb exploded near the Chechen capital of Grozny on Friday as his motorcade was driving past. The blast killed Interior Minister Magomed Eldiyev, his deputy and their driver.

Mr. Dudayev's wife and 11-year-old son were wounded in the blast.

"If anything happens here," Mr. Kuznetsov warned somewhat melodramatically, "there could be war."

There has been no shooting, but Crimea's showdown over independence has put politicians on edge.

Crimea had been a part of Russia until Nikita S. Khrushchev gave it to Ukraine in 1954. Since the Soviet Union dissolved, and particularly as the Ukrainian economy began to collapse, most of Crimea's population, which is 70 percent Russian, has been clamoring to rejoin a Russia they feel they had never really left. Even some Crimeans of Ukrainian descent say they want to shake loose from the economically devastated republic.

But pan-Slavic nationalism frightens the Crimean Tatars, Muslims who had dominated the region until the 18th century, when they were subdued by Russia and made subjects. They were brutally deported by Stalin 50 years ago. With help from the Ukrainian government, they have been returning and resettling and now make up more than 10 percent of the population.

They campaigned against Yuri Meshkov, the Crimean president, and are now siding with Kiev in the dispute over Crimea's status.

"Russia wants to be here to all the property of the former Soviet Union," said Mustafa Jemilev, the leader of the Crimean Tatars, who fears that Russian nationalists will trample Tatar rights. "But it doesn't want to accept responsibility for its moral debts."

The stalemate began on May 20, when the Crimean Parliament re-signed a 1992 constitution that would in effect give the peninsula greater autonomy from Kiev. The Ukrainian president, Leonid I. Kravchuk, ordered Crimea to reverse itself or face dire though unspecified consequences. So far, Crimea's Parliament and Mr. Meshkov, elected on separatist platforms, have refused to turn back.

Mr. Dudayev's wife and 11-year-old son were wounded in the blast.

Fearing a show of force, a delega-

tion of Crimean deputies traveled to Kiev this week. Ukrainian deputies are expected to continue those discussions in Crimea. Three days of high-level talks in Moscow on dividing up the Black Sea fleet, based in Sevastopol, were also adjourned for further contemplation.

For all the ado, many citizens say they are calm, even cheerful.

Tension can be detected only in the center of the capital, where Ukrainian national guardsmen are on patrol. As if to counter them, Crimean Cossacks wearing traditional czarist army uniforms and carrying whips stage a daily, symbolic vigil on the Parliament steps against Ukrainian attack. Some officers steel themselves for the task with early morning champagne.

Clusters of old Russian pensioners, mostly retired low-level Soviet functionaries, have also been gathering every day in front of the Parliament building, shouting pro-Russian slogans and muttering curses against Mr. Kravchuk.

To the dismay of the more fervent Crimean nationalists, President Boris N. Yeltsin has stayed largely aloof from the current impasse, saying it is a Ukrainian affair.

Crimeans complain that the Ukrainian economy is dragging down their own, and in fact, Crimea's rising prices and low salaries echo those in Ukraine. But one-fourth of the Crimean population lives on government pensions. The peninsula receives far more in subsidies from Kiev than it pays in taxes.

Among Crimeans, it is an article of faith that Mr. Kravchuk is trying to provoke a confrontation as a pretext to cancel coming elections, which they say he is likely to lose.

But domestic politics plays a part in Crimea's actions as well.

Mr. Meshkov had been counting on nationalist fervor to keep Parliament, which is composed mostly of nationalists and Communists, united even over his economic reform programs.



IT WORKS — A Bosnian Serbian soldier testing a heavy machine gun in the town of Brecko.

## BELGRADE: What Embargo?

Continued from Page 1

new hyperinflation," said Ljubo Mir Majar, an economist.

Up to now, however, predictions that the Avramovic program would amount to no more than a tenuous conjuring trick have proved unfounded. Instead, two essential changes have taken place.

Farmers and industries that were hoarding inventory while inflation soared have now brought their goods to the market and resumed production. And people have been encouraged by interest rates to bring into circulation some of the untold millions of Deutsche marks stashed under mattresses during decades of intermittent inflation in Yugoslavia.

Randemic Vukotic, a retired engineer in Novi Sad, north of Belgrade, said he had 100,000 German marks saved in his home—a nest egg that enabled him to survive when the value of his monthly pension fell to about two marks by last December, scarcely enough to buy a liter of milk. "Of course life is still expensive," he added, "but our confidence has been restored."

Western diplomats say they have no idea how many German marks are hidden in homes or continue to be remitted by Yugoslav workers overseas, but it seems clear they are a decisive cushion against social upheaval.

Mr. Milosevic seems to be cozying confidence. When he visited Novi Sad last week, he was rapturously received as he declared, "Maybe the cows around here are producing more milk out of spite at international trade sanctions."

The government's economic program has clearly been bolstered by a severe fraying of the embargo. Everything from gasoline to L.A. Gear shoes is now available at a price, and businessmen say that countries including Ukraine, Russia, Hungary, Bulgaria, Romania and Greece are places where deals can be done.

"Everyone understands money," said Vlasicimir Grbic, whose recently opened clothes boutique is doing a thriving trade in Rife jeans from America, Samos sandals from Italy and other imports.

A Western diplomat here said neighboring countries that had suffered from the embargo had suffered of it. "Fighting sanctions would be easy," he said. "Give a billion dollars to Hungary, Romania and Bulgaria to compensate them for lost income and tell them to police the borders better."

The crucial question is how a domestic market of 10 million can continue to sustain the recovery and whether borders will continue to become more porous, so even industrial goods like steel and cars can get out.

For without a more buoyant economy, and the higher tax receipts and greater hard-currency earnings it would bring, even Mr. Avramovic might not be able to balance the budget.

At the very least, however, Mr. Milosevic has clearly bought time with the new economic program, and is not in a position where sanctions will compel him to seek peace in Bosnia. In this sense, the embargo appears to have fallen far short of its objectives.

### Bosnia Coalition Keeps Pressure On Serbian Foes

*The Associated Press*

**SARAJEVO, Bosnia-Herzegovina** — Bosnia's allied Muslims and Croats put pressure on their Serbian foes on the front lines on Monday and at a political gathering in Sarajevo called to cement their federation by choosing its leaders.

The warring parties have been invited to Geneva by the United Nations on Thursday and Friday for talks on an overall cease-fire. But widespread, sporadic shelling and fighting were reported on Monday, particularly in central and northern Bosnia.

The result of the renewed Croat-Muslim alliance has been government offensives on several fronts, launched in the hope of taking back some Serb-held territory. Muslims and Croats want as part of their federation.

## 'Sarajevo' Candidate List Pulls Out Of European Parliament Elections

Compiled by Our Staff From Dispatches

**PARIS** — Bernard-Henri Lévy announced Monday that he and other intellectuals were pulling out of the race for the European Parliament but would continue their crusade for the Bosnian government.

The campaign had threatened the mainstream leftist Socialist Party with disarray.

The 87-member list of candidates titled "Europe Begins in Sarajevo," Mr. Lévy said in a communiqué, "will not go to a vote" in the elections June 12.

The withdrawal came just three days after the group filed its candidacy with great fanfare to

press for a lifting of the arms embargo against the Muslim-led Bosnian government in its war with Serbian militias.

The list was expected to draw votes from the Socialists already reeling from their debacle in legislative elections last year and trying to gear up for presidential elections next spring.

After a meeting ending early Monday morning, the group's leaders decided that their effort in raising the Bosnia issue had "achieved the potential effect in the European election." The list was "taken into a political game unworthy of the cause it is defending," the communiqué said, noting that the "intent was never to build a party or to substitute existing parties."

The group, however, remained neutral and did not throw its support behind any party after noting support from both the left and right to lift the arms embargo.

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## Ex-Japan Minister Given Jail

### Construction Unit Paid Him Bribes

**Reuters**  
TOKYO — A former minister in the Japanese cabinet was fined and sentenced on Monday to three years in jail for his part in a construction-industry scandal, a court official said.

The official at the Tokyo district court said Fumio Abe, former director-general of the Hokkaido and Okinawa Development Agency, received the prison sentence and a 90 million yen (\$865,000) fine for taking bribes from the steel frame maker Kyowa Co.

He said that the court found Mr. Abe was guilty of accepting cash bribes from the firm in 1989 and 1990 while he was a cabinet minister, in return for giving Kyowa favorable treatment in construction projects on his home island of Hokkaido.

Mr. Abe, 71, who pleaded not guilty, is believed to have repaid to Kyowa 160 million yen of the 630 million yen in an apparent attempt to win a suspended sentence.

He is the first member of Parliament to receive an unsuspended prison sentence since former Prime Minister Kakuei Tanaka was sentenced to four years in prison and fined 500 million yen for his part in the Lockheed bribery scandal in 1983.

Mr. Tanaka died before serving out his sentence.

At Mr. Abe's trial, Judge Toshio Yamada said, "It was a grave crime that further spurred the Japanese people's growing distrust of politics."

The court found that Kyowa's vice-president, Goro Moriguchi, paid Mr. Abe for information in connection with the firm's resort development plans in Hokkaido and also for help in allowing Kyowa to join a stadium project in Sapporo.

Arrested in early 1992, Mr. Abe admitted to having received the cash from Mr. Moriguchi, but he insisted the money was a political donation. He said he had never been asked for favors in return.

A year ago Mr. Moriguchi was found guilty of fraud and of bribing Mr. Abe in connection with a number of bogus business transactions. He was sentenced to serve five and a half years.

News reports on Monday said Mr. Abe had appealed the verdict and was released on bail of 60 million yen.



Fumio Abe entering the Tokyo court for sentencing on Monday.

### 'A Kind of Blackmail' by Indonesia

**Reuters**

PARIS — The wife of President François Mitterrand of France accused Indonesian authorities on Monday of exerting "tyrannical pressure" to keep her from attending a conference on East Timor in Manila.

Danielle Mitterrand, the president's wife, also described Indonesian behavior as "a kind of blackmail."

Indonesia annexed the former Portuguese territory of East Timor in 1976, a move the United Nations has never recognized. As a result of Indonesian pressure, the Philippines has refused entry to foreign human rights advocates bound for the conference, which is to discuss human rights in East Timor.

Organizers said they would attempt to conduct the meeting, starting Tuesday, with only local participants.

Mrs. Mitterrand, who heads the human rights group France-Libertés, said at a press conference,

"I don't know what sparked it, but there was a tyrannical pressure on me, on the Philippine government, a kind of blackmail so that I would not go and so that the conference would not take place."

Asked why she had decided to stay away, Mrs. Mitterrand answered: "I am not an agitator. I knew that if I went I would be fanning the flames and that is not my role." She has sent the text of a speech to be read in her absence at the conference.

Mrs. Mitterrand and Mairead Maguire, the Irish winner of the Nobel Peace Prize who was expelled when she arrived in Manila during the weekend to attend the conference, called for an end to Western arms sales to Jakarta.

Maria Barroso Soares, the wife of Portugal's president, also canceled plans to attend the Manila meeting.

Holding the Paris news conference with Mrs. Mitterrand, she denounced Indonesian authorities for "conducting a genocide, a policy of reconquest" in East Timor.

## The Palestinians Who Can't Go Home

By Chris Hedges  
*New York Times Service*

**BAQAA REFUGEE CAMP, Jordan** — You can still get a haircut and a shave at Hussein Ali Ahmed's tiny barbershop, although he wishes you couldn't. You can still hear the Palestinian men sitting on his worn vinyl couches argue politics, although he is sick of their discussions. What you cannot do anymore, according to the 56-year-old barber, is dream.

"This is the end for us," he said wistfully, as he churned shaving soap and water in a small metal bowl. "This deal Yasser Arafat cut with the Israelis means that people like me do not exist, that we will never go home. We have been sacrificed."

There are some 3 million Palestinians like Mr. Ahmed living in refugee districts in Syria, Lebanon and Jordan. Many of them left Palestinian villages in what is now Israel at the end of the 1948 war. For many of the refugees, the agreement that brought Palestinian rule to Gaza and Jericho and removed the Israeli soldiers is as welcome as the plague.

The Palestinian refugees are slowly awakening to the fact that neither the Palestine Liberation Organization nor the Israelis are anxious for them to return in large numbers," said a senior Western diplomat. "And for many of these refugees, who have been trapped in camps for decades, this is a painful realization."

The failure of the self-rule agreement to address the fate of the refugees is seen by many in this sprawling camp of 200,000 people as a betrayal by the Palestinian leadership.

For decades, the PLO fought hard to keep the refugee camps from being dismantled. The camps, where people live crowded in concrete

bowls, often without running water, have been a breeding ground for armed factions as well as a festering reminder to the world that the plight of the Palestinians remains unresolved.

But with the self-rule agreement, the political capital of the refugees has diminished. And many say they were the ones to pay the price for Mr. Arafat's deal with Israel.

"When I saw Yasser Arafat sign the agreement with the Israelis in Cairo, I felt the only solution left was his assassination," said Nidil Saadi, 39, a carpenter. "This agreement might be good for the Palestinians in the occupied territories, but we on the outside have been sold out."

The militant Islamic group Hamas, which opposes the self-rule accord, now has a wide following in the camp, where there are more pictures of Saddam Hussein, the Iraqi leader, in the shop windows than of the PLO chairman.

The status of the 1.5 million Palestinian refugees in Jordan, which is to be determined in future talks, is a principal concern of the Jordanian government.

Senior Jordanian officials say any peace agreement with Israel must include compensation from Israel for the cost of housing the refugees. Jordan currently allocates \$300 million a year for the refugees, many of whom are cared for by the United Nations.

But there is a growing realization among many officials and diplomats that most Palestinians here will probably remain.

"The businessmen, who could go back, don't want to risk losing their investments because of the chaos within the Palestinian administration, so they keep their businesses here," a Western diplomat said. "The refugees, even if they were

allowed back, would never find enough housing or jobs. Most of these Palestinians are going to have to call Jordan home."

The inclusion of the refugees in Jordanian society will further tip the balance of the population in favor of the Palestinians. Of the 4 million people in Jordan, more than 60 percent are of Palestinian origin. The predominance of the Palestinians, especially with the army and most of the government controlled by Jordanians, has always been a source of tension within the society.

The few families with members who have returned to Gaza or Jericho, usually as part of the new Palestinian police force, are often divided about the merits of the agreement.

"These people who want all of Palestine back have to accept the fact that this will never happen," said Halima Mahmoud Abu Shawar, whose son-in-law is in Gaza with the police force. "You just can't make a whole nation disappear."

But she was quickly criticized by other family members, seated on the floor in their home in the Nasr refugee camp in Amman.

"My brother went to Gaza because he is a policeman who was ordered to go," said Ahmed Abdil Rahman Abu Shawar. "He doesn't know about politics. This agreement fails to give us all our land and our rights."

Many refugees were recently encouraged by Mr. Arafat's call for a *jihad*, or holy war, to liberate Jerusalem. The PLO chief later insisted that the statement was taken out of context, but for his supporters here it was taken as a sign that he would continue to fight for the destruction of Israel.

## Jewish Protesters Push Gays, Ceremony Stirs Holocaust Debate

**Reuters**

**JERUSALEM** — A handful of Jewish protesters shouted and pushed gay activists at Israel's Holocaust Memorial on Monday as the first ceremony was held there for homosexual victims.

About 100 gay activists chanted the Kaddish mourner's hymn and other Jewish prayers as the protesters shouted abuse and threw themselves on the floor, which is engraved with the names of Nazi death camps.

The controversy surrounding the ceremony by Israel's main gay rights group touched off a debate about whether the Holocaust should be commemorated as an exclusively Jewish event.

"Quite frankly, I do not think they deserve a separate commemoration," said Efraim Zuroff, chairman of the Simon Wiesenthal Center, which tracks Nazi war criminals.

A group of 19 rabbis placed a large advertisement in the Jerusalem Post describing such a ceremony as "an abomination."

Yad Vashem, the Holocaust Memorial, put out a statement on Monday that said:

"The Department for Commemoration simply registers those who request a ceremony in the Hall of Remembrance. Anyone who wishes to identify with the memory of the Jewish people murdered in the Holocaust is free to do so."

Jew men wore shiny white Jewish kippas or hats with "Gay Pride in Israel 1994" written on them. Activists linked arms as protesters wearing the beards and white prayer shawls characteristic of Orthodox Jews screamed and pushed them. Two protesters said they were Holocaust survivors.

"Jews aren't always the only victims," said Jack Gilbert, a Jewish gay activist. "Most of my mother's family was wiped out in the Holocaust, but I don't feel it takes anything away from Jewish suffering to remember other people suffered too."

Israel has liberal laws on homosexuality, including equal access to the army and anti-discrimination laws. But gay activists say they still meet opposition, particularly from religious sectors.

The Encyclopedia of the Holocaust estimates that about 10,000 were rounded up as homosexuals under Nazi rule and transported to camps, where most died.

## Warlords Are a No-Show at Peace Talks

By Keith B. Richburg  
*Washington Post Service*

**NAIROBI** — Somalia's peace talks were once again postponed Monday after the country's main warring leaders failed to show up. Diplomats said this latest delay,

on the eve of a UN Security Council decision on the future of the costly Somalia operation, appeared to increase the likelihood that the Clinton administration would prevail in its attempts to cut short the lifespan of an ambitious mission of "nation-building" that has cost more than \$1.5 billion but which has yielded few results.

"Of course it looks bad — it looks terrible," a senior UN diplomat said of delay. "It would have had a positive impact if they had met," he said.

The talks, originally scheduled for April but postponed at least four times, were supposed to be preparatory discussions before a full-fledged national reconciliation conference that is supposed to choose a new Somali government and legislature.

Somalia has been without any government since Mohammed Said Barre fell from power in January 1991 and the country descended into anarchy and rule by warlords and their militias competing for turf.

Diplomats had called these talks the Somalis' last best chance to reach a compromise and set up a government before the world community finally tired of

the operation and before the Security Council voted to shorten the mandate of the UN mission to just six more weeks.

But Monday's planned talks were delayed again after Somalia's two main antagonists, Mohammed Ali Mahdi, the self-styled "interim president," and General Mohamed Farrah Aideed, the强man of south Mogadishu, never showed up.

The talks were scheduled to be in Nairobi because the warlords were arguing over the venue for the discussions and the Kenyan capital is considered neutral territory.

On Monday, the UN's acting special representative for Somalia, Lassana Kouyaté, left Nairobi and returned to Mogadishu when it became clear the major faction leaders would not be coming. UN officials said Mr. Kouyaté would be meeting with Mr. Ali Mahdi and General Aideed to try to secure a new date for the talks, possibly later this week.

UN officials said about four faction leaders did turn up in Nairobi over the weekend. But they said holding the talks would be pointless without the key warlords. Secretary General Boutros Ghali has acknowledged that the security

situation in Somalia has been steadily deteriorating since the United States and most other Western countries withdrew their forces from the peacekeeping mission at the end of March.

But Mr. Boutros Ghali, in a report to the Security Council last week, said he was still recommending a six-month extension of the mission at a cost of nearly \$500 million more, because otherwise Somalia risked "sliding back into the abyss from which it was barely rescued less than two years ago."

The Clinton administration has recommended a short, six-week extension, with the understanding that if the warlords are no closer to a peace accord by then, the operation would be wound down and the remaining 19,000 combat troops steadily withdrawn.

If no reconciliation or positive sign has occurred, the United States will veto all Somali resolutions and the UN will close down in three months, a UN military official from Mogadishu said.

UN military officials in Somalia said they had begun drafting a 133-day withdrawal plan for the remaining UN forces, and the plan would begin after July 15.

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# INTERNATIONAL Herald Tribune

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## Armies Are Slimming Down

With the end of the Cold War, demobilization is on the march. Around the world troop levels are dropping, and so is military spending. This little-noticed trend, documented in data compiled by the U.S. Arms Control and Disarmament Agency, offers hope that global military tensions may diminish and that scarce resources can be diverted to more urgent civilian needs. It also raises questions as to whether the United States is reshaping its own military as rapidly as it should to reflect the receding threat.

In 1991, the latest year for which figures are available, the number of troops worldwide totaled 26 million, a drop of 2.7 million, or 10 percent, from 1987. The proportion of the world's population under arms fell to 4.8 per 1,000 from 5.7 over the same period. And the troop levels are still dropping, arms experts believe. A few armies, like China's and India's, are buying more modern military equipment at fire-sale prices from Russia. But others have put the brakes on military modernization and are making do with older weapons, as indicated by shrinking military budgets and the shrinking world arms market. And even China's army seems to be plowing money into business enterprises instead of military preparedness.

Global arms sales are drying up. Arms exports declined by 62 percent between 1987 and 1991 to an estimated \$25.5 billion — a rough measure of the slowing of military modernization since few countries have indigenous arms industries. Total military expenditures worldwide in 1991 were \$1.038 trillion, a 14 percent decrease from the peak in 1987 and back to levels not seen since the late 1970s. The steepest declines were in the developed world — nearly 20 percent from

1987 levels. The trend in the developing world, where some two dozen wars are raging, was more troubling — spending during the same period actually rose 9 percent to \$241.7 billion.

The Red Army experienced one of the sharpest cuts. In 1987, before the collapse of the Berlin Wall, the Soviet Union had 3.9 million under arms. Russia's Defense Ministry now hopes to keep 2.1 million, but Russia's tight budget and unanswered draft calls make that goal unachievable. A proposed increase in defense spending to \$29 billion is but a fraction of \$35.6 billion the Soviet Union spent on defense in 1987. The other ex-Soviet republics combined are spending far less than Russia.

Germany is considering a reduction in its armed forces from 300,000, down nearly 40 percent from 495,000 in 1987, even after absorbing East Germany's 173,000 troops. Its 1991 defense budget was \$39.5 billion; by comparison, the combined West and East German defense budgets totaled \$55.7 billion in 1987.

There are exceptions in the developing world, like Taiwan, whose military budget rose by nearly 50 percent, and Pakistan, whose forces swelled 24 percent to 803,000. But in region after region, most armies are slumping down to match shrunk threats.

By comparison, between 1987 and 1991, the United States cut its military budget by 17 percent — a much less dramatic cut than that of its one-time rival, Russia, and less than that of developed countries as a group. The United States is still spending nearly as much as the rest of the world combined. That, the global military balance suggests, is probably too much.

—THE NEW YORK TIMES.

## Mischief Over Macedonia

The United States did not create the Macedonia problem, but by its sluggish diplomacy it lets a fire spread that could yet ignite a second set of Yugoslav wars, rather than contributing to closing down the ongoing first set. Washington does this mischief by bending excessively to an assertive Greek lobby, thereby stiffening Athens in its dispute with the former Yugoslav republic of Macedonia, which is now a declared state. A more independent policy would let Washington help move both sides toward necessary compromise.

The dispute between Athens and what it calls, by the capital's name, "Skopje" arises from Macedonia's grip on a name, flag and constitution that Greece claims are irredentist. Small and weak Macedonia badly overreached in its choice of nationalist symbols and rhetoric. Greece is supposedly a mature country, able to distinguish a short-term political victory from a long-term strategic objective. But in response it went off the deep end, imposing a crushing economic embargo and opening an effective campaign of political isolation. Throw in unfeeling Macedonia's sharpening internal tensions and you have a recipe for pitching the so-far spared southern Balkans into the northern Balkans' fire.

—THE WASHINGTON POST.

## Clinton Should Respond

The sexual harassment lawsuit filed by Paula Jones against President Bill Clinton is a case of first impression — no one has ever brought a civil suit against a sitting president for alleged conduct that occurred before he took office. The court is sure to hear a variety of arguments on why the lawsuit should be thrown out. Unfortunately for the president, every angle that has been suggested so far has flaws.

The president's advisers have put forward a theory that the chief executive is immune from civil suits or at the very least entitled to have litigation postponed until he leaves office. They cite a 1982 Supreme Court ruling that accorded President Richard Nixon this protection. But that case is easily distinguished because it was limited to suits arising out of a president's official acts, in that case Mr. Nixon's firing of the whistle-blower Ernest Fitzgerald. Such an immunity is similar to the kind enjoyed by legislators and judges who cannot be sued for actions taken in their official capacity. The allegations against Mr. Clinton arose out of conduct that occurred long before he became president and certainly involved no actions that were part of his official duties. The president's lawyers may well ask a judge to make the leap from protecting official acts to shielding private ones, but such a finding would be a substantial extension of the Nixon v. Fitzgerald doctrine.

The Harvard professor Laurence Tribe has another theory that is even more imaginative. He cites a statute that protects military personnel on active duty from civil suits and argues that since the president is commander in chief of the armed forces he is included in the protected group. The statute mentions no civilians and was clearly intended to cover those whose ability to defend lawsuits is severely hampered by the nature of military service.

Like every citizen who finds himself in a legal dispute, the president must defend himself in court. Frivolous cases and claims arising out of his office can be dismissed. His schedule can be accommodated and demands on his time minimized. But individuals with private claims have a right to proceed, and he has the obligation to respond.

—THE WASHINGTON POST.

### Other Comment

#### He Courted the Comparisons

Bill Clinton came to office embodying a number of the cultural forces that now threaten to overwhelm him. He is a member of the baby-boom generation that brought anti-authority sentiments into the mainstream. He had the support of many groups that favor an expansion of the sorts of legal rights and remedies Paula Jones now employs. He may resent the way he is now treated like just another show-biz figure, but he once courted the comparisons, from the way he played the sax to his nickname, "Elvis."

—Steven D. Stark, a commentator on National Public Radio, in the Los Angeles Times.

## His Foreign Policy Just Keeps Drifting

By Jim Hoagland

WASHINGTON — What surprised you most? I put that question to someone who has attended many of the Clinton administration's most important meetings on foreign policy and national security. The answer came without hesitation: "How much of the meeting was not about the meeting."

The official added, after a pause: "And how much Bill Clinton hates making decisions on foreign policy. The only thing he would hate more would be letting someone else make the decisions. That, he won't do."

Even so, Mr. Clinton has embarked on a foreign policy season, delivering commencement addresses that focus on his vision of the world and undertaking two trips to Europe: to commemorate D-Day in June and to attend the Group of Seven economic summit meeting in Naples in July.

His advisers hope the speeches and the trips will muffle the fusillade of criticism directed at the president in recent weeks by those who have suddenly discovered that Bill Clinton is not a Henry Kissinger nor will he employ one. These sides count on the trips to brighten Mr. Clinton's leadership image.

*Bonne chance, monsieur le président.*

But Mr. Clinton's advisers may also want to ponder the underlying problems suggested by those spontaneous comments from a Clinton friend about meetings and decision-making. The comments help reveal why the administration's unheralded

foreign policy successes stay unheralded and why Bosnia, Haiti and other trouble spots erupt in the matrix with the irregularity and ferocity of goat attacks.

"What gets brought into the meeting often has very little to do with the issue under discussion," the official continued. "Past battles won or lost get started again in the guise of dealing with today's subject. Issues are used to form or maintain alliances within the bureaucracy or within the leadership group itself. Little beyond the most immediate issue gets resolved absent a crisp sense of direction from the president."

Something new? Hardly. It is a description that applies to the difficulties faced by most new administrations, a key foreign policymaker in the Bush administration said when I ran these comments past him. This rock-ribbed Republican recalled the stumbling start of the Reagan presidency and said that the Bush team had been blessed to know each other well before taking office.

"If we had had to get to know each other and figure out whose judgments and motives to trust in a world without the Cold War, we would have faced many of the same problems," he added. He went on to make what I think is the key point: "But you have to wonder now if this is just a learning curve problem. There are no signs this presidency's grip on foreign affairs is getting more solid as time passes. The same problems seem simply to recur, often in the same

form and on the same subject. That is the discouraging thing."

I heard similar observations from staunchly pro-American British, French and German officials on a recent trip to Europe, where the Bosnian crisis has significantly eroded American credibility.

To be blunt about it, some of America's best friends in Europe have concluded that they cannot work constructively with this administration and are resigned just to endure it. They will not say so publicly. But they no longer bother to hide that attitude in private.

The Europeans are accustomed to America asserting its own agenda and muscle them to achieve its goals. They know how to respond to that approach and protect their interests. What leaves them at a loss are

the inconsistencies and omissions of recent U.S. diplomacy on Bosnia.

An important example: The British and French felt significant progress had been made when the United States agreed to a Geneva conference on Bosnia based on a settlement giving the Serbs 49 percent of Bosnian territory. Barely 24 hours before the conference began, the Europeans discovered that the United States had also given its blessing to a Bosnian-Croat map that awarded the Serbs only 42 percent of the land.

The State Department initially could not explain to Paris or London how this had happened or which commitment was the real one. (It turned out to be the 51-49 division.)

"This is either completely amateurish or extremely cynical," a se-  
nior British official said. "The lack of comprehension that now exists between us and Washington is greater than at any time in my experience."

European puzzlement over U.S. intentions will have been deepened by the May 12 debate of the Senate, passing two conflicting bills on lifting the arms embargo against Bosnia and the president's qualified opposition to lifting the embargo spelled out in a major foreign policy address at the U.S. Naval Academy on May 25.

Clever stage management of the trips to Europe and some well-delivered speeches fall into the "necessary but not sufficient" category. Even as they polish their foreign policy image, the president and his advisers should be thinking hard about improving the product.

—The Washington Post.

## Consider This: A Broader Confederation to Pacify the Balkans

By Mihajlo Mihajlov and Max Singer

WASHINGTON — Massacres in Bosnia are only the early consequences of dividing Yugoslavia (the mother of all ethnically mixed countries) into smaller, more nearly "pure" states. "Ethnic cleansing" in Bosnia and Croatia will be followed by ethnic cleansing in Kosovo, Macedonia and elsewhere; and there will be new wars, which may well expand beyond Yugoslavia.

The only way to end the tragedy is to go in the opposite direction — not dividing, making a bigger, more mixed country; a Balkan confederation that includes not only former Yugoslavia but Albania and Bulgaria.

The first reaction to this suggestion from people who have been in the Balkans is a polite smile or derisive laughter. Southeastern Europe may be the part of the world with the highest proportion of people who would rather take out their neighbor's eye than keep their own.

But that is not the whole story. These people have lived mixed together for centuries, mostly in peace, and intermarriages are common. While most of the time an essential element of keeping the peace has been imperial power — Austria, Turkish, Communist — it is not inconceivable that a suitable substitute for imperial power can be constructed.

The real response, then, is to consider the idea a joke but, rather, to ask a question: How bad must it get before the great democracies consider what is necessary to give a Balkan confederation a chance of success?

Now, Western governments are trying to end the crisis with evasive solutions for Bosnia that are clearly inadequate. So far, Albania and Bulgaria have not felt the effects of watching Albanian and Macedonian-Bulgarian communities destroyed in Yugoslavia. But what to do when the crisis worsens, as it will?

Judging whether a larger confederation would ever become the best available alternative requires looking at each stage of the problem separately: Could a suitable constitution be agreed upon by any set of representatives what is necessary to give a Balkan confederation a chance of success?

The prospect of a public airing of these charges — true or not — is surely troubling for Mr. Clinton and for a lot of people who have an interest in the well-being of his presidency. But the alternative of granting a single individual special immunity from civil suit in these circumstances is not a good idea. Consider the precedent that would be set: Divorce actions could be delayed; child custody disputes postponed for years; damage claims ranging from auto accidents to industrial pollution could be shelved leaving victims in each case without redress for years.

Like every citizen who finds himself in a legal dispute, the president must defend himself in court. Frivolous cases and claims arising out of his office can be dismissed. His schedule can be accommodated and demands on his time minimized. But individuals with private claims have a right to proceed, and he has the obligation to respond.

—THE WASHINGTON POST.

### The first reaction to this suggestion is often a polite smile. But must we stand aside as the chaos spreads?

safe to be a minority in a province if the majority group in your province is itself a minority in another province of the same country, and there is an overall government with a stake in peace and unity.

A Balkan confederation, with its capital in the ancient, mixed city of Sarajevo, would have about 10 million Serbs, 8 million Bulgarians, 5 million Albanians (most of them Muslims), 3 million Croats, 2 million Bosnian Muslims, 1.5 million Macedonians (whom many consider to be Bulgarians), about a half million each of Montenegrins and Hungarians, and almost as many Turkish Muslims — plus 1.5 million Slovenians if Slovenia decided to be a part of it.

But that is a mistake only to consider national groups. In most recent Yugoslav censuses, nearly 10 percent of the people gave their nationality as "Yugoslav," because they were from mixed marriages, or immigrants, or did not want to identify with a nationality group. The millions of people who are not clearly Serbs or Croats or Muslims can only find a clear national identity in a larger unit such as Yugoslavia or a confederation.

A Balkan confederation would have enough Bulgarians and Albanians to balance the Serbs, and within the confederation each national group would be a majority in one of

Macedonians, for whom they feel responsible. Furthermore, Bulgaria has always seen itself as an integral part of the Balkan region with the other southern Slav peoples.

Albania would benefit from joining because that is a way, short of war, to protect the Albanians who are already oppressed and in danger of being slaughtered. The Bulgarians would gain by peacefully protecting the

republic and a minority in one or more other parts of the country (except Hungarians and Turks, who would not be a majority anywhere, and Slovenians, who would not have a substantial minority anywhere).

A confederation that brings peace would succeed even if it did not have a strong central government, democracy, an integrated economy or social justice. Those can come later.

The ancient lesson such a confederation would build on is that it is not so bad to be a minority in a country where everybody is a minority. It is

safe to be a minority in a province if the majority group in your province is itself a minority in another province of the same country, and there is an overall government with a stake in peace and unity.

A Balkan confederation would mean that Albania and Bulgaria would lose their small separate sovereignties, and thus their independent foreign policy responsibilities; they would keep their president, Parliament, etc., and would gain identity and protection as part of a country large enough, and with a enough historical importance, to be a substantial member of Europe.

The Croats and Bosnian Muslims would gain from the creation of a confederation because most of them are Serbs who would be living without being dominated or killed by the Serbs. And the Croats would again be united in a single country and would have a chance of having Croatia restored to Croatia.

Although the more nationalistic Serbs would oppose the federation, many would support it. It would, after all, mean that all Serbs would be living in the same country and that Serbs would not be isolated from other groups. Further, by giving up some of what has been gained, they would become the largest group in a Balkan confederation — which appeals to a Serbian taste for a grander role.

The big question is Serbia. The current government would not want to give up what it has taken with so much blood. But there are reasons it would be easier to compel Serbia to accept a confederation than it would be to stop or prevent its aggression in Bosnia, Croatia, Kosovo and Macedonia.

The proposal of a Balkan confederation would provide a way for Serbs to oppose the dictator Slobodan Milosevic and the war without having to support Croats or Muslims or Albanians or foreigners against Serbia. From 200,000 to 300,000 young Serbs have left because they are unwilling to fight for Mr. Milosevic's nationalist policy. They and their families would be strong supporters of confederation.

The federal government would be an inac-  
table benefit not only to the war-  
racked region, but to Romania, Moldova, Ukraine and other ethnically mixed countries and to the democ-  
racy of Western Europe.

If the great democracies come to believe that a Balkan confederation offers the best hope of a solution to the tragedies started by the dissolution of Yugoslavia, they will not be able to impose such a solution. It must come primarily from a political process within the countries that would be constituents of the confederation.

For President Bill Clinton, it would be easier to get domestic political support for a policy of using force to help create a Balkan confederation, than to prevent Serbs from slaughtering Albanians in Kosovo, or committing aggression against Croatia or Bosnian "safe havens."

Of course a Balkan federal government would need political skill — and good luck — to prevent internal divisions from making the federal army as useless as the Lebanese army has been at times. But such hopeless divisions are by no means inevitable. In any case, harmony or affection is not required, merely a determination to find a way to live together in peace as was once imposed on the Balkans by Austria, Turkey and Communists.

The big question is Serbia. The current government would not want to give up what it has taken with so much blood. But there are reasons it would be easier to compel Serbia to accept a confederation than it would be to stop or prevent its aggression in Bosnia, Croatia, Kosovo and Macedonia.

The overall settlement of the Arab-Israeli conflict requires that peace negotiations proceed concurrently on all

fronts. At present the Syrian track, although still slow, holds promise, provided American diplomacy continues its energetic efforts at mediation.

The future of relations between the Palestinians and Israel will probably pass through three stages: first, separation by a clear delineation of the borders recognized by both; then an extension of cooperation; and eventually, a form of association within a wider, perhaps confederal, framework.

The writer is a former director-general of the Israel Foreign Ministry and former ambassador to the United Nations. He contributed this comment to The International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1894: Bulgaria in Crisis

PARIS — Last week the attention of Europe was directed to events in Serbia. This week it is the turn of Bulgaria. The sudden dismissal of M. Stambouloff almost resembles a *coup d'état* and two such events in the Balkan Peninsula have much significance. This is the impression among political men in all the European capitals. In each country, however, great reliance is placed on the general desire for peace, and on the reluctance of its neighbors to go to war. Better guarantees could scarcely be found. Nevertheless, it should not be forgotten that for many years past M. Stambouloff has been at one and the same time the stimulant and the anodyne of a nation always ready for battle, and that it is not easy

## On the \$100,000 Profit, Time to Find the 'Loser'

By William Safire

**W**ASHINGTOM — Bit by excruciating bit, like an adhesive being pulled off an old wound, the cover story about the Clintons' amazing one-year 10,000 percent "profit" in the commodities markets is being peeled away.

With each disclosure of blatantly preferential treatment and credit improperly extended, of trades made in their behalf with little or perhaps no Clinton input, and of records strangely missing for one in five key transactions — it becomes harder for the Clintons and their apologists to maintain the fiction that the financial bonanza had anything to do with business judgment or even luck.

Common sense suggests that a person or persons unknown, possibly acting through third parties, determined that the new governor of Arkansas and his wife would be the recipient of almost exactly \$100,000 in trading "profits" on the wildly risky commodities markets. Wouldn't a hidden friend in need later have a substantial call on the Clintons?

If my theory is correct, and as information continues to be developed to show the passivity of the Clinton participation, the directing of a huge bundle of money into the Clinton pocket could be classified under a word that has only been whispered in connection with this deal: bribery, in its most modern form.

I do not use the term in its narrow legal sense, requiring a specific quid pro quo. Rather, I base my definition

on Merriam-Webster's Third Unabridged: "a price, reward, gift or favor bestowed or promised with a view to pervert the judgment or corrupt the conduct esp. of a person in a position of trust (as a public official)."

That's the way the subtle new bribery works: Make somebody beholden to you, through an untraceable source, and somewhere down the line the public official is likely to smile kindly on one of your government-regulated enterprises.

In the Clinton case of sudden wealth through commodity trading, however, there is this wrinkle: When somebody wins \$100,000 in this game, it means that others lose exactly that much. Just as the winners dutifully declare the profits on their tax return, the losers declare their losses — and thereby reduce their tax liability.

The winning Clintons, skipping past the requirement to go into detail about the net income of \$72,000 from commodity trading of their 1993 return. Their statement, which does not label this income the gift that I think it is, should not worry them. Even if it was a gift, reward or favor, they are in the clear: The six-year statute of limitations on Section 7206 of the Internal Revenue Code — about willful false statements on a tax return — ran out long ago.

But the person or persons unknown who "lost" this money, if they did so deliberately by allocating the loss "leg" of a trade to themselves (or to anyone



*'Cattle futures is where it's at! I just put all our savings in cattle futures!'*

in what I suspect is a conspiracy), might have a problem if anybody began poking around in old records or taking testimony under oath.

That is because they probably deducted their losses on their own tax returns, reducing the amount they owed the IRS. According to a source familiar with that service, who looks with dismay at the see-no-evil agents at the Little Rock office, that trick of sharing with Uncle Sam the cost of sharing with Uncle Rich might constitute tax fraud.

"Section 6663, the fraud penalty pro-

vision, has no statute of limitations." If he or she informs me, "You could prosecute for an offense clear back to 1913, when income taxes began."

Thus, the way to discover possible motives behind the transfer of a bonanza — underneath the "Whitewater belt" — would be for the special counsel Robert Fiske to call Clinton advisers and brokers, including their clients as well as those behind the Clintons' small account at Stephens Inc., before one of his grand juries.

This he is not doing. Nonindepend-

## A Plywood Force at Calais, And Phony Radio Chatter

By Roy Godson

**W**Ashington — In the days ahead we will celebrate the spectacular achievements, and honor the tremendous sacrifice, of D-Day — June 6, 1944. But the retelling of the massive invasion — involving 5,000 ships, 20,000 vehicles and more than 150,000 soldiers on June 6 alone — will be incomplete if we do not recall that D-Day's success was made possible by a

tank, barge and aircraft. They did not, however, detect that most were made of plywood, paint and tarpaulin. Nor, because of artful Allied security practices, did they detect the building of the man-made "harbors" intended for use at the harborside Normandy beaches. And finally, though German intelligence intercepted Allied radio communications, it was the phony chatter of a nonexistent army, with a very real U.S. Army general, George Patton, presided.

Because of Ultra, the Allies knew that Hitler had swallowed the bait. But it was not enough simply to shield the June 6 assault. Success depended on convincing Hitler that Normandy was a feint to mask the "real" assault at Calais. The Allies made a bold gambit. They provided the Germans advance notice of the Normandy invasion. A British double agent, Juan Pujol Garcia, code-named "Garbo," tipped his German handlers of the landing hours before the first wave of men and equipment hit the beach.

Too late to do the Germans any good, Garbo's warning cemented his credentials as a top spy, setting the stage for a more critical step in the deception effort.

By June 9, 1944, the German generals were clamoring for reinforcements on Normandy. Hitler initially complied. But then Garbo urgently reported that all of his "agents" — fictitious creations of British counterintelligence — were convinced that Normandy was a diversion. The real strike, Garbo insisted, would still occur at Calais.

Through them, the Allies learned what Nazi intelligence wanted to know and, from this, inferred Nazi strategic designs. They also became part of an elaborate network of real and fictitious spies (the "Double Cross System") that was used to feed false and misleading intelligence back to Berlin, including supposed plans and preparations for the Allied invasion of France.

A second, critical element was the British ability to intercept and decode much of Nazi military, diplomatic and intelligence communications. With assistance from Polish and French intelligence before the war and the help of German security officials who refused to believe that their codes had been broken, British cryptologists managed to crack "Enigma," the German's sophisticated electro-mechanical enciphering machine. The decoded German messages, known as "Ultra," became the most closely guarded secret of the war.

With double agents in place, and Enigma broken, the structure was in place for a grand deception. The Allies had two goals: to mask the initial assault at Normandy and to buy time to gain a foothold in coastal France. The route they came up with was the linchpin of the invasion strategy.

First, they had to convince Hitler that the invasion would not take place at Normandy but to the north at Pas de Calais. Calais is at the narrowest part of the English Channel, and Hitler believed the Allies would strike there.

In the months leading up to D-Day, what appeared to be an enormous Allied buildup was deployed across from Calais in England. German reconnaissance planes spied this assemblage of

more than a quarter-million German soldiers awaiting the much-anticipated attack at Calais.

So what is the lesson to be drawn from D-Day for today?

At a minimum, it challenges the notion, perpetuated not long ago in a newspaper editorial, that "spy wars are a sideshow of passionate interest to the actors, but of marginal significance for national policy."

More broadly, the brilliance of Allied counterintelligence strategists, analysts and operators involved in planning D-Day is a reminder that governments that take counterintelligence seriously hold an advantage, sometimes a crucial advantage, over states that do not.

This will be true as long as states have adversaries, and each has an interest in masking its true intentions and capabilities from the other.

The writer is a professor of government at Georgetown University and coordinator of the Washington-based Consortium for the Study of Intelligence. He contributed this comment to the International Herald Tribune.

## LETTERS TO THE EDITOR

### Standing Between Giants

Regarding "Germany and Russia Are Getting Together" (Opinion, May 17) by Jim Hoagland:

While accepting overall the analysis of Mr. Hoagland, I take little comfort from a lessening of American power in European affairs. I strongly believe that American leadership must be enhanced to achieve a balance between Germany and Russia.

Germany is seeking American involvement in the shaping of Europe's future because American foreign policy lacks direction. Indeed, many U.S. senators have voiced misgivings over the Clinton administration policy toward Russia.

I have a dream of a strong America that is clearly in control of the situation. I have a dream of America standing right in the middle of the two European giants. I have a dream of America showing determination and leadership and not just watching events unfold.

I agree with Mr. Hoagland that the United States and other NATO mem-

bers do not necessarily have cause to suspect the motives of Germans and Russians in establishing their new dialogue. But I also believe that America must be involved, not just because its friends are kindly extending an invitation to participate, but because it is profoundly in the national interest.

It is good to hear that there is a strong Bonn-Washington partnership. It is interesting to note that there is a new dynamic at work in the Bonn-Moscow conversations. But let me ask one simple question: Where does America stand in all of this?

CHRISTIAN D. DE FOULOUY.

Geneva.

### Risky Equidistance

Part of the cause of the never-ending quality of the war in Bosnia-Herzegovina lies in the excessive legalism of international organizations. In 1991, when Yugoslavia began to fall apart, Croatia expected the European Community and

United Nations to quickly accept its bid for independence, hoping that its international recognition would stave off the looming Yugoslav Army aggression.

In the absence of international recognition, and due to its lack of firepower, Croatia could not put up credible deterrence against Yugoslavia, i.e. Serbian, territorial appetites. Croatia had to wait six long months before it was finally recognized by the European Community, and several more months before it joined the UN club.

Meanwhile, it had lost 25 percent of its territory to the invading Serb-dominated Yugoslav Army, and continues to shoulder a burden of over 500,000 refugees and displaced people.

In order to explain away its blatant aggression, the Serb-dominated Yugoslav Army elegantly described its onslaught as a "necessary procedure to punish Croat" CIA-sponsored fascist outlaws." Unfortunately, these widespread myths still abound in Serbia.

It must be noted that a large number of Croatian officials have an anti-fascist

and democratic background and are resolutely opposed to all types of totalitarian temptations. It is, indeed, remarkable to observe the proliferation of different political parties and media openness in a war-threatened Croatia.

Over the last two years, the United Nations and other international actors have not been able to find a solution for the Serb-occupied territories in Croatia let alone put an end to the carnage in neighboring Bosnia-Herzegovina. Today, international actors and some media representatives seem to be running out of formulas on how to end this conflict in the heart of Europe.

Some foreign politicians and journalists now resort to the self-serving cliché that the chaos in Bosnia-Herzegovina is inherent to the "tribal" and "religious" history of the warring Balkan peoples. When this quasi-racist argument fails to hold ground, the guilt for the ongoing killings is then attributed to the Serbs, Croats and Muslims alike.

The legal options for Croatia and

neighboring, war-torn Bosnia-Herzegovina have been difficult since the day of Serbian aggression. The international community has constantly pushed the Bosnian Muslims and Croats to negotiate with the invading Serbs, thus inadvertently providing legitimacy to the Serbian land grab.

This exercise in international "legal equidistance," while seriously crippling the credibility of the United Nations, risks sparking a much wider war in the Balkans.

TOMISLAV SUNIC.

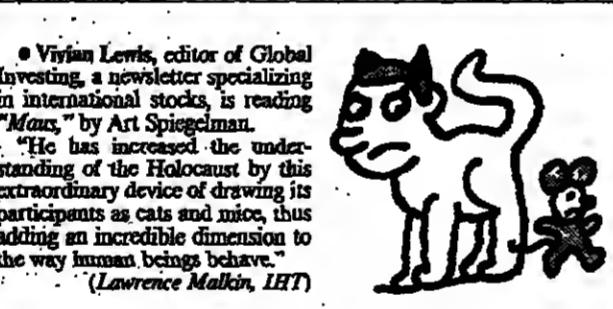
Ministry of Foreign Affairs.

Zagreb, Croatia.

*Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.*

## BOOKS

### WHAT THEY'RE READING



so much for music, but so colored are Bernstein's magnificent achievements by his monstrous need for self-promotion that one is compelled to do so. His appetite for every aspect of life was awesome, and if we attempt to separate the person from the music, what did that fed his hungers.

As Burton's year-by-year, often month-by-month chronicle tells us, Bernstein's frenetic embrace of popular and classical cultures was well advanced during his upper-middle-class adolescence in Massachusetts. He composed for Broadway, the opera house and the concert stage. He played the piano. He conducted. He was a master of television and an eloquent exponent of his art. Stravinsky called him "a department store of music."

In a city not known for its love of

Americans or Jews, the Vienna Philharmonic worshiped Leonard Bernstein. Israel thought him a political asset. During his years at the New York Philharmonic, rehearsals were chaotic, but this professionally callused bunch of players loved him dearly. Bernstein had the aura of a pop star, which made it all the more galling for his ego when he once appeared scantly clad on the beaches of Ipanema and was recognized by one. In his bisexual private life, in his social and political passions and in his bouts with food, drink and pills, Bernstein was an insatiable devourer, his faults and virtues equally to live.

For example, he almost single-handedly resurrected the symphonies of Mahler. Why? One reason was a visionary desire to restore a neglected repertoire. The other reason is equally clear. This was music

written by a conductor for conductors, and its mammoth complications were soluble only by a charismatic leader operating at center stage. That kind of hunger for attention follows Bernstein's life from his education at Harvard, his immersion in the American musical and his spectacular triumphs as a symphonic conductor to his subsequently rough physical and creative decline, lived out amid splendid affluence.

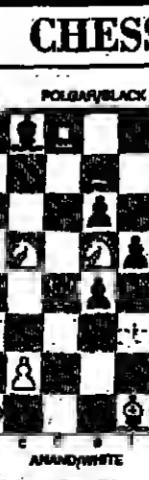
Burton, a British television and film director, has worked hard to be objective, but he hasn't a chance. He has the good sense to include unpleasant facts, but hagiography is in the air. He followed Bernstein and his life for 30 years. Although he carefully depicts Bernstein's successes and failures, his youthful homosexual exploits and the joys and sorrows of his marriage to Felicia Montealegre, he asks few hard questions. The view in this book is always from within the Bernstein camp.

Despite the conductor, Bernstein's detractors are acknowledged and often fended off like enemies. Bernstein, for example, is shown blaming a heavy conducting schedule for his waning creativity. No one asks if he simply had no more to say as a composer. Maybe it is not true, but the question must be asked. Burton's biography is valuable for its wide access to Bernstein's papers. It is also a kind of hymn. The two facts go hand in hand.

Leonard Bernstein came to music at a time when American composers were still refining away their natural rambunctiousness, suppressing a surplicious love of gaudy colors and loud noise. American classical music would have a native flavor but adhere to European taste. Bernstein balked. He saw the power of popular music. He made our bad taste beautiful. In two splendid stage works, "Trouble in Tahiti" and "West Side Story," he legitimized American vulgarity and turned the accepted aesthetics of classical music on its ear.

If Leonard Bernstein's later music is less interesting, if his absurd waggings and leaps on the conductor's podium drove us mad, if his private adventures caused the occasional shudder, there is "West Side Story," which helped give the country a strong and joyous voice of its own.

Bernard Holland is on the staff of The New York Times.



Position after 34...Qh5

rapid development and black weak points at e6 and g5 to justify his

attack.

After 18 Ned4 Ng5, Anand went right to battle with 19 f4!

On 19...Ng4 20 Qg2, Polgar could not counterattack with 20...Bb7 because 21 Ned5 Qf7 22 Ng5 Qh7 23 Ng6 Qf7 24 Bg2 Ng5, Anand delivered the lethal blow with 35 Rg8!, threatening 36 Qd5 mate. After the desperate 35...Bg6 36 Qd7 Kf6 37 Ng4 Qg4 38 Qd6, Polgar gave up rather than prolong the agony with 38...Kg5 39 Rg7.

She tried 24...Be7, but after 25 Qd5 Kf8, Anand cut a path into the black position with 26 Bb6! On 26...Qb6, there could have followed 27 Ng5 Kd8 28 Qf7 Kh7 29 Ng6 30 Ng5 Qf3 (30...Bc5 31 Ng6 Kh6 leads to 32 Qh5 mate) 31 Be2 Qh3 32 Qg7 g3 Qg5, with anihilation to come.

Polgar hung on with 26...Qb8 27 Bc5 Bc3 28 Rg8 29 Qe8 Kf6 30 Ng5 Qd7, but after 31 Qf8 Qf7 32 Qd6 e4 33 Qd4 Ng7 34 Ng6 Qh5 35 Ng5 Qd5 36 Ng6 Rg4 37 Ng5 Qd6 38 Ng4 Rg3 39 Ng5, Anand delivered the lethal blow with 35 Rg8!, threatening 36 Qd5 mate.

After the desperate 35...Bg6 36 Qd7 Kf6 37 Ng4 Qg4 38 Qd6, Polgar gave up rather than prolong the agony with 38...Kg5 39 Rg7.

After 18...Ng4 20 Qg2, Polgar had a material advantage of rook and three pawns for two knights, but the black king was still a target in the center.

In a similar situation against Polgar last year in Madrid, Anand recaptured with 10 Bg5, but this time he went for the provocative 10 Bg5. It involved a pawn sacrifice that Polgar accepted with 16...f6 17 Be3 Rf4. Anand was counting on his

opportunity to capture the pawn with 18...Qd5, but Polgar had a plan of his own: 18...Qd5 19 Qf7 Qd6 20 Qg7 Qd5 21 Qf7 Qd6 22 Qg7 Qd5 23 Qf7 Qd6 24 Qg7 Qd5 25 Qf7 Qd6 26 Qg7 Qd5 27 Qf7 Qd6 28 Qg7 Qd5 29 Qf7 Qd6 30 Qg7 Qd5 31 Qf7 Qd6 32 Qg7 Qd5 33 Qf7 Qd6 34 Qg7 Qd5 35 Qf7 Qd6 36 Qg7 Qd5 37 Qf7 Qd6 38 Qg7 Qd5 39 Qf7 Qd6 40 Qg7 Qd5 41 Qf7 Qd6 42 Qg7 Qd5 43 Qf7 Qd6 44 Qg7 Qd5 45 Qf7 Qd6 46 Qg7 Qd5 47 Qf7 Qd6 48 Qg7 Qd5 49 Qf7 Qd6 50 Qg7 Qd5 51 Qf7 Qd6 52 Qg7 Qd5 53 Qf7 Qd6 54 Qg7 Qd5 55 Qf7 Qd6 56 Qg7 Qd5 57 Qf7 Qd6 58 Qg7 Qd5 59 Qf7 Qd6 60 Qg7 Qd5 61 Qf7 Qd6 62 Qg7 Qd5 63 Q

## For North Korea, a U.S.-Asian Cartel

Compiled by Our Staff From Dispatches

TOKYO — North Korea has been offered economic aid in return for international inspections of installations suspected of a nuclear arms connection. Prime Minister Tsutomu Hata said Monday, "It has been conveyed to them that if they opened their door, South Korea, the United States, China and Japan could join hands and extend as much cooperation as possible in raising living standards in North Korea," he told the House of Representatives budget committee.

Foreign Minister Koji Kajikawa, who also appeared before the committee, said Japan was worried about North Korea's refusal to allow the International Atomic Energy Agency to sample fuel rods being removed from a nuclear reactor at Yongbyon.

The Security Council was expected to discuss on Tuesday what to do in response to North Korea's refusal. The agency has said Pyongyang is in violation of safeguard rules under the Nuclear Nonproliferation Treaty.

France, through its Foreign Ministry spokesman in Paris, said Monday that "the adoption of sanctions by the Security Council would become indispensable" if council members confirmed the agency findings.

The sampling of spent fuel rods is necessary to determine if weapons-grade plutonium has been diverted.

The Japanese foreign minister said, "We are concerned because it will become difficult in a few days to make the verification if they go ahead at the current pace."

A senior Japanese official said he was aware of press reports that North Korea was preparing to test a missile that could strike Japan with a nuclear warhead.

"But I would like to refrain from commenting on what they might do," said the official, Chief Cabinet Secretary Hiroshi Kumagai.

He said he was not certain if the projected test was linked to the nuclear standoff.

In May last year, North Korea test-fired the Nodong-1 missile, which has a range of 1,000 kilometers (625 miles), in the Sea of Japan.

Yomiuri reported Saturday that

the Japanese government learned of the new launching plan from U.S. satellite intelligence reports.

These indicated that trucks and cranes had arrived at a missile base in North Korea and a number of survey ships to gauge the flight of missiles were anchored offshore.

In Seoul, senior officials disclosed that South Korea had asked the United States not to resume high-level talks with North Korea unless the nuclear inspections were allowed.

South Korea also is asking China to persuade North Korea to drop its opposition to full inspections, they said.

"It is our government's position that there should be no high-level U.S.-North Korea talks unless

agreement is reached with the agency on inspections," said a South Korean official, who asked not to be identified.

Another ministry official said the South Korean position was conveyed when Foreign Minister Han Sung Joo met with U.S. Ambassador James Laney on Monday.

Last week, the United States said it was willing to resume high-level talks with North Korea on the nuclear dispute and setting terms for better bilateral relations. Two previous rounds made no progress.

President Kim Young Sam of South Korea convened a meeting of security-related cabinet officials Monday. "International efforts to resolve the dispute through dialogue are at a crucial crossroads," he said.

(AP, Reuters)

## HUNGARY: Entrepreneurs Backing Ex-Communists

Continued from Page 1

all walks of life with fond memories of the security and welfare benefits of the old system. According to official returns from Sunday's runoff elections, the Socialists will have 20% of 380 seats in Parliament, a clear majority.

"There has been quite a shift in the [Socialist] voter profile," he said in an interview. "It is much more anti-market, anti-privatization, more for egalitarian values and social redistribution. They are

the traditional, old-time socialist supporters."

"This is something that should bother the Socialist Party and everybody else since they didn't run on a traditional socialist program," he added. "But it's basic to go back to egalitarian solutions."

In the wake of the Socialist victory, the question being asked by Hungarians and foreigners alike is which faction of the now highly eclectic Socialist Party will prevail in the coming struggle to define its economic and social policies?

Will it be the more orthodox, old-time socialists and labor unions led by Sandor Nagy, second on the party's election list? Or the faction led by Laszlo Bekesi, the party's chief liberal reformer, third on the list and tipped to become the next finance minister?

The party is scheduled to hold a convention here Saturday both to formally name its prime minister and outline its policies.

Peter Zwack, the only member of the small Party of Entrepreneurs to be elected to Parliament, believes the question of which faction prevails inside the Socialist Party will make a big difference as to Hungary's future political stability and economic prospects.

He is worried that the Socialist Party leader, Gyula Horn, who is expected to be its candidate for prime minister Saturday, is basically more sympathetic to the "old socialist" Nagy wing than the new "social democrat" Bekesi line.

"We don't know which wing is stronger, the old socialists or the social democrats," Mr. Zwack said in an interview. "The party might split into two factions."

The traditional, old-time socialist supporters."

"Many fear that if Mr. Horn and Mr. Nagy get the upper hand, then the liberal Bekesi program won't go through and the union influence will be so strong on a Socialist government that there's no chance for an economic revival."

Right now, Mr. Horn is talking if he were on Mr. Bekesi's side and a true believer in liberal economic reform, although Free Democrat leaders were asking today why Mr. Bekesi was absent from the podium at the victory news conference on Sunday night while Mr. Nagy, the labor union chief, was there.

In a broadcast interview, he sought to reassure skeptics that there were no longer any Communist "hard-liners" left within the Socialist Party's ranks.

During the campaign, Mr. Horn backed Mr. Bekesi's proposal for a "social pact" between the government, labor unions and employers to set prices, wages and other policies while the country gets on with its painful free market reforms.

## Libya Finishes Pullout From the Aouzou Strip

Reuters

Last March, the Anglican Church admitted women priests for the first time, dividing its own ranks and sending a chill over its relations with Rome. The letter on Monday, some Vatican officials said, may have been designed in part to tell Anglican priests opposed to the ordination of women that they would find a long-term spiritual home in the Catholic Church.

Additionally, the Vatican plans a symposium next October on the theme of religious life, and officials said the Pope wished to ensure that the ordination of women did not become part of the agenda.

The church denies that such views are discriminatory.

"The nonadmission of women to priestly ordination cannot mean that women are of lesser dignity, nor can it be construed as discrimination against them," the Pope's letter said, because "the Blessed Virgin Mary, Mother of God and Mother of the church, received neither the mission proper to the apostles nor the ministerial priesthood."

He described the presence and role of women in the church as "absolutely necessary and irreplaceable," quoting from earlier Vatican teaching that women's role in the church was "of capital importance both for the renewal and humanization of society and for the rediscovery by believers of the true face of the church."

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# Style



Citoyens of Saint-Rémy clockwise from top left. Pierre Bergé in the garden he has created, with a cookbook for his next project; Michel Klein in his Provençal home furnished from flea markets; and a country-style table

setting in his house; Caroline of Monaco shopping in Saint-Rémy for her *Mas de la Source*; Irène Silvagni (inset) and the door from the interior courtyard of her Tarascon house; Inès de la Fressange.

## The Golden Triangle of Provence

By Suzy Menkes  
International Herald Tribune

**S**AINT-RÉMY-DE-PROVENCE, France — Under the canopy of vines on the terrace of the *Café des Arts*, here watch the fashion world go by. Princess Caroline of Monaco, her basket spilling with fruit and veggies, olives and spices.

There is *Îles-de-la-Fressange* with baby daughter Nine and husband Luigi d'Orso. Here are *Loulou de la Falaise* and Pierre Bergé, a world away from *Saint Laurent* couture as they compare fine white linens bought in the flea market.

Since the fashionable folk descended on this picture-postcard Provençal village over the last five years, they have generated a myth as powerful as the sun-and-sunflowers images of Van Gogh. *Saint Rémy* and surrounding towns, *Arles*, *Les Baux-de-Provence* and *Tarascon*, are supposed to form a "golden triangle" like the *Paris* shopping streets round *Avenue Montaigne*.

The reality is rather different. You don't see the fashion crowd parading the streets. The *Café des Arts* is not *Saint-Tropez*' *Le Sénateur* — although fashion friends may drop by after shopping in Wednesday's market.

You are sure to find familiar faces on Sunday morning at *Îles-sur-la-Sorgue*, a town devoted to antique shops that de la Falaise describes as "shopping heaven." You may bump into friends at the restaurant in *Eygalières*, where the designer Michel Klein has his home, or on the terrace of the *Nord Pinus* in *Arles*, or in the *Arles* at *Nîmes*, where last week's *Pentecôte* *Feria* gathered Christian Lacroix's wife *Françoise*, *d'Urso* and the embroiderer *François*.

But *Saint-Rémy* is neither the new *Saint-Tropez*, nor *Cannes*, nor *Capri*. Like the *Hampstead* in America (in a less varnished style), it corresponds rather to a 1990s need for the great escape. It represents a conscious decision to scale down, to turn a light-filled sun-bronzed back on the glitzy, fancy *Riviera*. It is the fashionable world in flight from itself.

So there is Bergé, couture president, one-time opera supremo, best friend of President François Mitterrand, cultivating the garden he has created at the edge of the *Alpilles* by replanting 500-year-old olive trees.

"One thing I know at my age — you don't buy young wines or plant young trees," says the 63-year-old Bergé, who describes his house with its pastel-washed walls as "very simple."

"It's a peaceful life — making olive oil, going to the flower market in *Arles* and *Cavaillon*, to

the antique markets — and I do the cooking," says Bergé. "It is not exactly ecological, but a return to nature."

Bergé — who is now planning to write a book of Provençal country cooking — has a typical low, square *mas*, or farmhouse, of the region, like Klein and the decorator Jacques Grange.

"There are two kinds of houses, *mas* and *bastide*," says Pierre Passebon, partner to Grange, whose house is near Caroline's *Mas de la Source*.

The Monaco princess came to *Saint-Rémy* for personal reasons when she was widowed in 1990. The simple Provençal dress she chose and her flight from chic, urbanized *Monaco* seem prescient. So is the fact that she uses the *Saint-Rémy* house not as a rare retreat, but as her home.

Klein too — although designing his own

*A colony for the fashionable, away from the glitz of the Riviera.*

label and *Guy Laroche* haute couture — tries to spend half his time in the house he has painted with vibrant colors — warm red, sky blue or cool green walls, with flea-market finds arranged in divine disorder.

"I like the idea that it has no style — but a coherent whole," he says, showing proudly a newly acquired statue of an African dancing girl inside and freshly planted rose bushes round the pool.

Near *Tarascon*, Irène Silvagni — a former fashion editor of *French Vogue* and a consultant to *Yohji Yamamoto* — contemplates the sunset sky. Her blushed-red main room, with its twin stone basins, and the lofty upper floor with red-tile floor increasingly serve as an office for her and her film-producer husband, *Giorgio*.

"From *Tarascon* to *Saint Rémy* is already like being in a different country — it changes from village to village," says *Thadée Klosowski*, husband of *Loulou de la Falaise*, whose mother *Maxine* has just bought a to-be-restored house in the area.

The latest addition to the clan will be *Marie Steinberg*, proprietor of *Marie et Fils*, favorite restaurant of the fashion crowd in *Paris*. But down here they all insist how little they dine out and how rarely they see each — apart from the annual celebration of "Inès's birthday party" in August.

"It's like anywhere — there are people who need to do the *vie mondaine* and people who

stay home," says *d'Urso*. "Everybody is very proud of their own place and very concerned to show it."

Now is there any sense of dressing up. *Saint-Rémy's* narrow streets are splattered with the signature Provençal prints, but even the sophisticated *Soulieado* makes over half its store for the home. It is another sign of the times that clothes shops are outnumbered by lifestyle boutiques, and if you do see a famous face, it will probably be at *Ébène*, an at-home and antiques store tucked away in a courtyard.

Even for her birthday, says de la Fressange, people don't really dress up, with "Loulou in a simple Gypsy dress that cost 300 francs."

The spike-heeled shoes that de la Falaise is wearing at dinner with Klein do not seem typical Provençal peasant footwear, and there is an element of play-acting in this back-to-rural-life by people who can afford someone to laud their antique linen sheets.

"It's all very *Marie-Antoinette* — even the sheep are pretty clean," admits de la Fressange, although she claims that her own *Mas de la Fressange* is "rather sloppy" and that she loves it because "as soon as I put my feet in Provence all my worries disappear."

Do the lure of *Saint-Rémy* suggest that the days of the *Riviera* as a fashion hot spot are definitely over? *Terence Conran*, who has just moved his French home to *Les Baux*, first colonized rural France 40 years ago and built the success of his *Habitat* empire on authentic country things. He remarks on the flight by all his friends from the coast to the hinterland.

"But it hasn't really changed," says de la Falaise. "There were always a lot of foreigners in Provence — painters and artists, because it was very cheap. Everyone here was always very snobbish about the coast. It was always 'ruined.' My mother was snobbish about the *Côte d'Azur* by the late '50s or early '60s. But what is different here is that how much land you have does not reflect how much money you have. Some people have huge properties and live off tomatoes. Nothing is related to exterior signs of wealth."

Yet the truth is that 100 years after wealthy aristocrats first colonized the *Côte d'Azur* in winter, and 70 years after *Scott Fitzgerald* became the summer pioneer, everything that the *Riviera* stands for has gone out of fashion with the fashionable: grand hotels, cocktails at six, dressing for dinner and a social season.

"There is no sense of people coming to *Saint-Rémy* to mix with other people or because they want to watch them," says Silvagni. "But maybe there is something in the air, in the colors, in the scents of Provence that corresponds to what fashion people feel is right for now."

## An Unsubtle Market: Male Vanity

By Dan Shaw  
New York Times Service

**N**EW YORK — In "Sleepless in Seattle," last summer's hit romantic comedy, *Tom Hanks*' character, a widower in his 30s who hasn't been on a date for 15 years, asks a friend for advice.

"I just want to know what it's like out there," he says.

"That's what I'm trying to tell you, what women are looking for — a penis and a cute butt," says his friend, played by *Rob Reiner*.

"You can't even turn on the news nowadays without hearing about how some babe thought some guy's butt was cute. Who the first woman to say this was I don't know, but somehow it caught on."

It certainly has.

Women and other men are paying attention to how men look as never before.

From the bare-chested studs on "Melrose Place" and billboards of the model *Michael Bergé* in *Calvin Klein* underwear to the snowy rock stars on MTV and the football coaches who hawk Ultra Slim-Fast diet shakes on television, the image of modern masculinity is changing and well-defined musculature seems to be a requirement.

While women complain that they can't be as thin as the waif-model *Kate Moss*, men are grumbling that they can't be as buffed and beefy as *Marky Mark*.

The emphasis on appearance has made men feel newly vulnerable about their looks, with increasing numbers of men showing up at department store cosmetics counters, in plastic surgeons' offices and on psychotherapists' couches. In short, they are beginning to feel and act just like body-conscious women.

*Men's Health*, a five-year-old

magazine whose circulation has jumped from 800,000 to 1.2 million in the last year, is catering to this growing market. Unlike *GQ*, *Esquire* and *Details*, with their self-consciously hip urbanity, *Men's Health* resembles nothing so much as an earnest women's supermarket magazine.

"Do It Better! 101 Ways to Get Smarter, Stronger, Richer, Calmer and Cooler," reads the cover of the May issue. Other articles include "The One Vitamin Every Man Needs," "Best Exercises to Lose Weight" and "Stay Focused: How to Blow Off the 10 Worst Male Stressors."

*Michael Lafavore*, 42, the executive editor of *Men's Health*, is proud of his cover lines. "That's our secret," he said. "We dare to do that. We know what guys care about — their sex lives, their potential, how to get more energy. That's what they respond to on a visceral level."

Health is not necessarily the readers' prime concern. "Men are terrifically vain," Lafavore said.

"There is not much evidence throughout history that men aren't vain," he added. "In other times, we wore powdered wigs and knee britches. Men care how they look at the beach. That's supposedly women's territory, but I've seen guys at the beach cover themselves with T-shirts and towels to hide their bodies. Most guys feel not better about being out of shape than women do."

*Gianni Versace's* flamboyant, body-conscious fashions.

Boys who believed in superheros can wear *Versace* clothing as adults. It's a self-conscious style, one of the most beautiful fashions of narcissism in our time."

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"They have the same intensity to lose weight and the same sense of body distortion. They, of course, don't lose their menstrual cycle, but they do lose their sex drive. They are much more preoccupied with muscle definition. The majority are heterosexual. Maybe one in five are homosexual."

"The gay marketplace has a lot to do with it, but it's tricked down to the heteros," said Christopher Cakebread, a professor of advertising at Boston University.

"People like to look at half-naked people. Society is willing to accept more nudity in advertising, as the advertisers are appealing to a younger group. If you walk down *Newbury Street* in *Boston*, you see these heterosexual guys bulging all over the place, showing off their gym bodies. They look like they walked out of the pages of a bad magazine."

*Eli Levine*, a 30-year-old paralegal in Manhattan who played rugby in college, recently joined a gym. "It's definitely a cosmetic thing," he said. "I'm thinking about being in a bathing suit. I want women to accept my body when I take my shirt off. If my body type were what all the models had, I would be very happy not to lift a weight."

*Michael Musto*, a columnist for *The Village Voice*, who is accustomed to the "body fascism" of the gay club scene, discovered that straight clubs are not so different.

"Alarming numbers of attendees look like they've stepped out of the pages of *Details*," he wrote earlier this month. "They're all models

model wannabes, model citizens or, worst, model admirers."

Eating disorders are becoming more common in men. "When they have it, they have it just like women," said James B. Wirth, the director of the eating and weight disorders program at the Johns Hopkins University School of Medicine.

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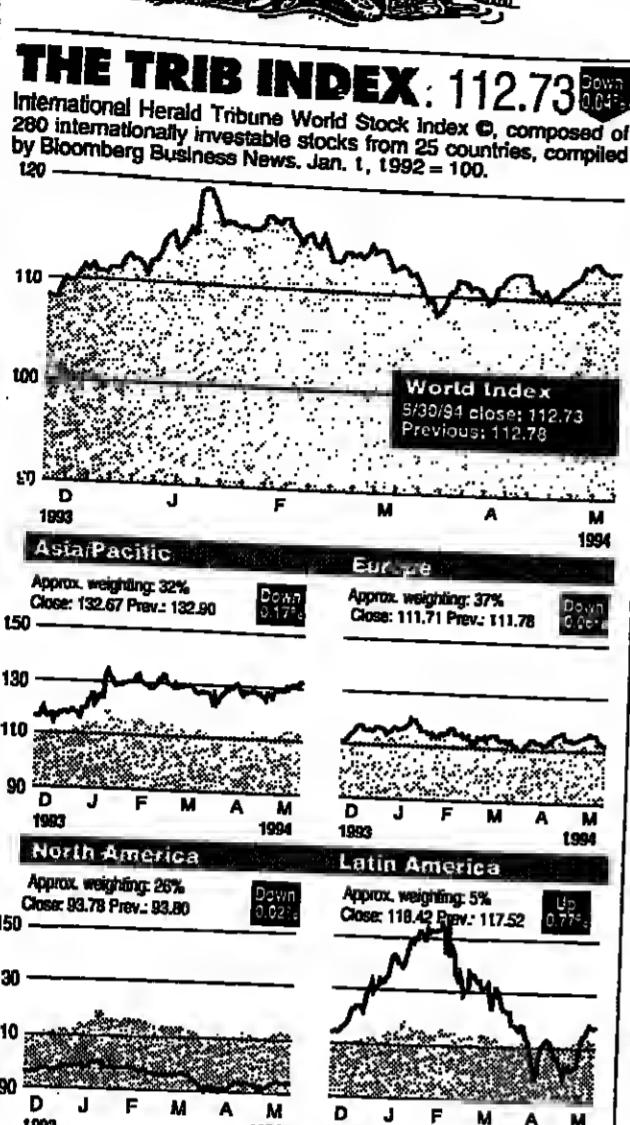


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# BUSINESS

International Herald Tribune, Tuesday, May 31, 1994

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**THE TRIB INDEX: 112.73**  
 International Herald Tribune World Stock Index, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.

## Malaysian Air Says Profit Fell

### Carrier's Resales Of Aircraft Falter

By Louis Uchitelle

KUALA LUMPUR — Malaysian Airline System Bhd. said Monday its net profit plunged 94 percent in the year ended March 31, and only an accounting change saved the carrier from posting a loss.

Southeast Asia's largest airline said its sales rose 9 percent, to 4.08 billion ringgit (\$2 billion), from 3.74 billion ringgit in the previous year. The total was the only one of its overall traffic rose.

But net earnings fell to 8.4 million ringgit, or 1.2 Malaysian cents a share, from 145.6 million ringgit, or 30.1 cents a share, mainly because the carrier failed to repeat its previous success in selling used aircraft and spare parts at a profit.

The company also said profit was hit by recession in key markets, low margins on competitive international routes, losses on domestic routes and the cost of its aircraft purchases.

Malaysian Air said it earned 11.8 million ringgit last year by selling one B737-200 and various spare parts.

The carrier would have had a loss in the latest period except for an accounting change in which it increased the residual value for new aircraft — their sale value after 15 years — to 20 percent from 10 percent, slicing depreciation charges by 69.1 million ringgit.

It said the change was justified on the grounds that its new aircraft would have a large resale value because of high-technology equipment and that it was following practices adopted by other airlines.

■ Iberia Says Loss Narrows

The Spanish national airline Iberia Lineas Aereas de Espana SA said its operating loss narrowed to 13.6 billion pesetas (\$100 million) in the first four months of 1994 from 18.5 billion pesetas a year earlier, Bloomberg Business News reported from Madrid.

"The outlook for operating income this year is good, and the results could even be positive," the company said.

## France-U.K. Compromise

### British Can Land at Orly as of June 13

Compiled by Our Staff From Dispatches

PARIS — France said Monday that it would allow British airlines to make four flights daily between London and Orly airport outside Paris starting June 13.

The compromise eased the latest conflict between European Union countries over how fast to deregulate industries and spur competition, but British carriers still protested the limited service.

Transport Minister Bernard Bosson of France announced the decision after a weekend meeting with John MacGregor, the British transport secretary.

Mr. MacGregor called the move a "major victory" for his government's negotiators.

Mr. Bosson said that he would strongly support a bid by French airlines to get slots at London's Heathrow airport. He said he would limit Orly access to four take-off and landing slots per company per day, and from the summer of 1995 would only allow planes with more than 200 seats on the airport during morning and evening peak hours.

"The Commission wants total

freedom now," he said. "We agreed to total freedom from 1997."

Britain welcomed the decision but vowed to fight on against restrictions still in place.

The British Airways chairman, Sir Colin Marshall, said flights by BA and its subsidiary TAT would begin promptly on June 13.

A spokesman said BA was particularly concerned about France limiting services to only four flights per airline and sacrificing the capacity of those aircraft allowed in.

Mr. Bosson also said that France would lodge an official complaint before July 3 with the European Court of Justice against the European Commission's decision to force open Orly.

"I am not a protectionist," he said. "I am in favor of competition because it will reduce the price of air travel to nearly all destinations. But a condition is that [competition] should be restrained."

The French decision comes as Paris tries to obtain EU permission to pump hundreds of millions of dollars into Air France during reorganization to stem losses that topped 8 billion francs (\$1.4 billion) last year. Unions slowed the effort by launching crippling strikes to protest planned job cuts.

Mr. Bosson also said that

he was filing of the results.

MILAN — Prosecutors on Monday told executives of Mediobanca SpA — including its honorary chairman, Enrico Cuccia — they were under investigation in connection with the restructuring last year of Ferruzzi Finanziaria SpA.

The notification, in a statement from the investigating judge, came one year after Mediobanca led a group of creditor banks in a takeover of Ferruzzi. Once Italy's second-largest privately owned industrial company, after Fiat SpA, Mediobanca had debts at the time estimated at around 30 trillion lire (\$18 billion).

Former Ferruzzi executives are under investigation for paying millions of dollars to politicians to gain control of Enimont, a chemical joint venture of Ferruzzi's Montedison SpA subsidiary and the state-owned energy concern Ente Nazionale Idrocarburi, known as Eni.

(Bloomberg, AP)

## Mediobanca Is Told It Faces Investigation

Compiled by Our Staff From Dispatches

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(Bloomberg, AP)

it was not responsible for stopping the filing of the results.

Ferruzzi Finanziaria, which owns chemical and other industrial companies, was taken over by Mediobanca and other creditor banks after posting a net loss for 1992 of 1.52 trillion lire. It later posted a loss of 2.42 trillion lire for 1993, including restructuring charges of 2.1 trillion lire.

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(Bloomberg, AP)

## 2 YSL Executives Are Accused of Insider Trading

The Associated Press

PARIS — Two senior executives of the French fashion house Yves Saint Laurent were charged Monday with insider trading and violating brokerage laws.

The charges against Pierre Bergé, the company's chairman, and Jean-François Bretelle, its general manager, were filed after a six-month investigation into the takeover of Yves Saint Laurent SCA by Elf Sanofi SA.

They are alleged to have violated insider-trading rules and laws requiring the use of licensed brokers for share transactions.

French stock market authorities cited irregularities in transactions preceding the sale of a controlling stake of the fashion house to Sanofi in January 1993.

According to the investigators, 100 million francs (\$17.5 million) in shares were traded off market in Switzerland in violation of French law. Yves Saint Laurent SA was subsequently merged into Sanofi, a unit of the French oil giant Elf Aquitaine, through a share swap.

## New Deal for U.S. Workplace

By Louis Uchitelle

New York Times Service

NEW YORK — A commission created by President Bill Clinton has concluded that the American workplace cannot become truly efficient and globally competitive until the hostility between labor and management — particularly when unions try to organize a company — is greatly reduced.

The commission found a rising number of conflicts when unions try to organize a company's workers. It also said that 40 million to 50 million workers — more than 30 percent of the U.S. work force — yearn to participate in decision-making on the job, a yearning that many managers welcome, but many others reject.

The White House plans the findings of the 10-member commission, which includes three former secretaries of labor, corporate executives and union leaders, to be the focus for whatever labor legislation it might propose in the president's first term.

What we want is a new framework for worker-management relations that breaks the stalemate that now exists and holds back innovation and efficiency at the workplace," said Thomas Kochan, a professor of management at the Massachusetts Institute of Technology and a commission member.

To this end, the commission is trying to broker a historic compromise that would give workers and managers shared power in running their companies. That is a tall order, but part of the commission's mandate.

The AFL-CIO labor union is interpreting the findings as evidence that the National Labor Relations Act, enacted in 1935 and still the basic U.S. labor law, should be amended to make union organizing, guaranteed in the 1935 act, easier and faster.

But management is unlikely to embrace that view.

"It is my sense of the business community that it would not be very supportive of making it easier for unions to organize," said Jeffrey C. McGuiness, president of the Labor Policy Association.

The labor law that emerged during the Great Depression drew some provisions from a similar, detailed study of the American workplace by a presidential commission. There has been no such study since.

The panel, formally known as the Commission on the Future of Worker-Management Relations, asserted that the necessary crisis does indeed exist — fed by such factors as stagnant wages, global competition, polarized incomes and high unemployment for the unskilled.

Mediobanca said it had given investigators evidence showing that

**Thinking Ahead / Commentary**

## Lessons of the Great China Debacle

By Reginald Dale

International Herald Tribune

**W**ASHINGTON — President Bill Clinton's decision to keep trade flowing with China — and to delink it from human rights — was not just about trade, nor even just about China. With luck, it reflects a new realism about how the world works in the closing years of the 20th century — and about the limits to American power. Now that same realism should be applied to other policy areas — starting with Japan.

In one way, of course, Mr. Clinton's embarrassing volte-face on China was simply a long-overdue recognition that you can't have it both ways. You cannot insist that American exports and jobs are your prime concern and at the same time threaten to endanger them — at least not very convincingly.

Many saw Mr. Clinton's decision as ramming home the by now rather trite point that in the post-Cold War era foreign policy is driven by economics. "More and more, we find that economics is a major point in foreign affairs," Treasury Secretary Lloyd Bentsen said. "That's going to accelerate."

It is not exactly a new phenomenon. Colonialism was mostly about economics. Nor is it entirely true. It would take a Marxist to argue that economics had much to do with Mr. Clinton's foreign-policy failures in Bosnia, Haiti or Somalia.

It also is a false antithesis to suggest that economics somehow beat out human rights to dictate Mr. Clinton's new China policy.

But it is true that economics, and trade in particular, has catapulted to the forefront of the American foreign political debate. Mr.

Clinton has played his part by frequently treating foreign policy as an arm of domestic economic policy, designed to smash open foreign markets to promote growth and employment at home.

It is right and proper that economic questions should dominate American relations with much of the rest of the world: How should Russia best be helped to become a market economy, how might Latin America be

Three major lessons can be drawn from the China episode — and they all are applicable to relations with Japan.

brought into a hemispherewide free-trade area, how Japan can be helped to reduce its trade surpluses — and how can China best be integrated into the world economic system?

It is ludicrous to claim, as some of Mr. Clinton's critics did last week, that this means putting profits over principles. It is a perfectly legitimate principle to advance world prosperity by promoting trade. Over the medium term, that is also the best way of promoting human rights.

But giving economics its due does not simply mean going to Tokyo to demand "jobs, jobs, jobs" for American workers, like President George Bush, or trying to bully Japan into buying more American goods, like Mr. Clinton.

Perhaps he could infect Capitol Hill with some of that new sense of realism.

There are lessons to be learned from the great China debacle.

One is that in today's global economy, not even the biggest single player can get its way on its own. Another is that relations with key partners should not be based on the biggest irritant in those relations.

A third is that narrow domestic considerations should not govern major foreign policy decisions. Mr. Clinton's main mistake with China was that a year ago he tried to solve a foreign-policy problem by keeping Congress happy, rather than by addressing the problem itself.

It so happens that all those lessons apply to Japan. Mr. Clinton has been trying to force Tokyo to change single-handedly, he has allowed the frustrations of American business and their allies in government to dictate strategic policy priorities, and he has focused the entire relationship with Tokyo on the most contentious part of it, the bilateral trade balance.

There is a trace of hope that Mr. Clinton is learning. In agreeing to restart more formal negotiations with Japan last week, Washington has significantly softened its position.

Better still, Mr. Clinton should follow the China precedent, admit he was wrong all along and come up with a better policy. He should scrap all his demands for managed trade, not just the most extreme ones.

While he seems to have everyone agreeing on the importance of trade for America, he should bury up and get Congress to ratify the outcome of the Uruguay Round before he has yet another crisis on his hands.

Perhaps he could infect Capitol Hill with some of that new sense of realism.

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Amsterdam	1.096	1.216	1.170	1.205	1.174	1.146	1.205	1.205	1.205	1.205	1.205
Brussels	1.096	1.215	1.170	1.205	1.174	1.146	1.205	1.205	1.205	1.205	1.205
Frankfurt	1.145	1.245	1.227	1.165	1.191	1.159	1.227	1.227	1.227	1.227	1.227
London (a)	1.145	1.245	1.227	1.165	1.191	1.159	1.227	1.227	1.227	1.227	1.227
Madrid	1.1244	1.2472	1.2267	1.158	1.197	1.161	1.2472	1.2472	1.2472	1.2472	1.2472
Milan	1.1245	1.2473	1.2268	1.158	1.197	1.161	1.2473	1.2473	1.2473	1.2473	1.2473
New York (a)	1.1245	1.2473	1.2268	1.158	1.197	1.161	1.2473	1.2473	1.2473	1.2473</td	

# Mannesmann Predicts Profit On Sales Jump

Bloomberg Business News

DUSSELDORF — Mannesmann AG, the German metalworking and telecommunications company, said fast-rising sales would help it return to profit this year after a 1993 net loss of \$13 million. Deutsche marks 133.12 million.

"We expect the group to be in the black this year," said Werner Dieter, the chief executive of the company.

He said the company's 1993 accounts were hit by almost 1 billion DM of extraordinary costs, startup costs of a mobile-phone subsidiary and goodwill write-offs.

## Italian Banker Is Detained in Schneider Case

Agence France Presse

BRUSSELS — Didier Pineau-Valencienne, a French executive, has been joined in his Brussels jail by an Italian banker, prison officials said Monday.

Both Mr. Pineau-Valencienne and the banker, Valentine Foti, face charges of forgery, using false documents, fraud, and breach of confidence, investigators said.

Mr. Foti is the main stockholder of the Belgian real estate and financial company Patience & Beaujoc, a subsidiary of the French electrical and engineering giant, Schneider SA.

Both men were held after turning up voluntarily to answer questions from Belgian police in connection with the sale of two Schneider subsidiaries, Cofibel and Cofimines. Minority shareholders in the companies said Schneider purposely underestimated the companies' value. Under Belgian law the two can be held until Wednesday.

Thirty-six leading French business figures, including former Prime Minister Edith Cresson, have signed a statement in defense of Mr. Pineau-Valencienne. The statement said the 36 wanted to "express the emotion which they feel about the action taken against Pineau-Valencienne."

Goodwill is an accounting term that refers to intangible assets comprising the difference between the book value of a company and the price at which it is purchased.

"These large burdens that we had are already gone," Mr. Dieter said. Last year the number of Mannesmann employees fell by 4 percent, to 9,568, and would have fallen further without starting Mobilfunk GmbH, the mobile-phone subsidiary.

He said profit in the first four months of 1994 was already "clearly better than in the very weak comparative period" of 1993, although the company still had a loss.

Sales rose 9 percent in the first four months this year, to 8.7 billion DM, while new orders rose 14 percent, to 10.8 billion DM.

"Above all, the revival in foreign markets contributed to this," Mr. Dieter said, adding that domestic demand also rose. Demand from North American and Asian customers was especially strong, he said.

Mobilfunk started the year on a particularly strong note, with sales more than doubling in the first quarter, to 344 million DM.

Mr. Dieter said eight out of the company's 11 divisions saw an improvement in business in the four months through April. In particular, sales in machinery and plant construction rose 22 percent, to 5 billion DM.

The automobile technology operations, meantime, returned to the black in the first four months, thanks to a stabilizing in German business and rising foreign demand, as well as the impact of last year's cost-reduction measures.

In the company's steel pipe manufacturing business, new orders rose 9 percent, to 1.4 billion DM. But the operations were still unprofitable in the first four months.

Mr. Dieter, however, predicted a "dramatic" increase in sales of parts this year, of between 10 percent and 20 percent over last year's 3.79 billion DM.

Mr. Dieter confirmed that the company would ask shareholders to authorize 500 million DM in fresh capital.

# Daimler Unit Expanding

## Deutsche Aerospace Looks Abroad

Reuters

ABU DHABI — The troubled Deutsche Aerospace AG has started staking out claims around the world to make up for shrinking European markets.

In a new strategy to shore up business, the aerospace and defense subsidiary of Daimler-Benz AG also is looking into a possible domestic alliance in defense technology with Siemens AG and is investing in environmental technologies.

To increase its presence in the Middle East, Deutsche Aerospace on Sunday opened a sales office for the Gulf region in Abu Dhabi. This year, the company also has or is planning to set up representation in Austria, China, Singapore and Turkey.

"We are systematically building up a network around the world," said Michael Ganal, senior vice president and marketing director.

Deutsche Aerospace became the flagship of the German aerospace and defense industry shortly after it was founded in 1989. It is a partner in the Airbus Industrie and Arianespace consortia, and is working on the Eurocopter and Eurofighter projects.

But the end of the Cold War and the subsequent recession cut both defense business and aircraft sales.

In 1993, Deutsche Aerospace posted a group net loss of 694 million Deutsche marks (\$422 million), more than double the year before, but it said it expected to be back in the black next year after restructuring that included slashing its workforce.

The European market is shrinking, but it is growing in Asia and the Middle East," Mr. Ganal said. He said Deutsche Aerospace intended to upgrade its representations in many Middle East countries.

Dornier GmbH, a Deutsche Aerospace subsidiary that builds regional turboprop aircraft, has had a bureau in Abu Dhabi for several years. It now forms the basis for the parent company's

Middle East Branch, as the new sales office is called.

The company said it hoped to increase its market volume in the Middle East, mainly in the Gulf, to 500 million DM in the next few years after 1993 sales of 120 million DM.

Keen to expand its aviation sector, the company will concentrate on marketing regional aircraft and airport equipment ranging from control-tower simulators for trainees to runway lights.

It also sees a Middle East market for airborne oil-pollution monitoring systems, sea-traffic surveillance systems and ground-water monitoring

"We are systematically building up a network around the world."

Michael Ganal, vice president of Deutsche Aerospace.

computers in a region where fresh-water supplies are scarce and oil production is damaging the environment.

"I think environmental products are now a top priority for this region," said Ahmad Al-Mansouri, deputy director general of the Abu Dhabi Chamber of Commerce.

He said the United Arab Emirates, the second-largest oil producer in the region, did not have the technology to improve the environment.

Defense will remain a core business for Deutsche Aerospace, although its share of the company's sales has shrunk to 27 percent from more than 50 percent four years ago.

Meanwhile, Deutsche Aerospace and Siemens, the electrical equipment maker, recently said they were discussing cooperation in defense technology because of cuts in Bonn's defense procurement budget.

# Warsaw Privatizing Its Airline

The Associated Press

WARSAW — Poland plans to sell a 49 percent share of its national airline LOT, the transport minister said Monday.

"It is time to privatize our flag carrier," Boguslaw Liberadzki told the PAP news agency. "We have 49 percent of its stock for sale."

Mr. Liberadzki said the government was not looking specifically for another airline to take over a part of the national carrier.

"It does not have to be a single strategic investor and it does not have to be another airline," he said.

On May 10, LOT entered into an agreement with American Airlines on traffic exchange, code sharing and flight schedules.

However, Mr. Liberadzki indicated that the agreement in place was "sufficient" for the time being and that American was not seen as a potential buyer.

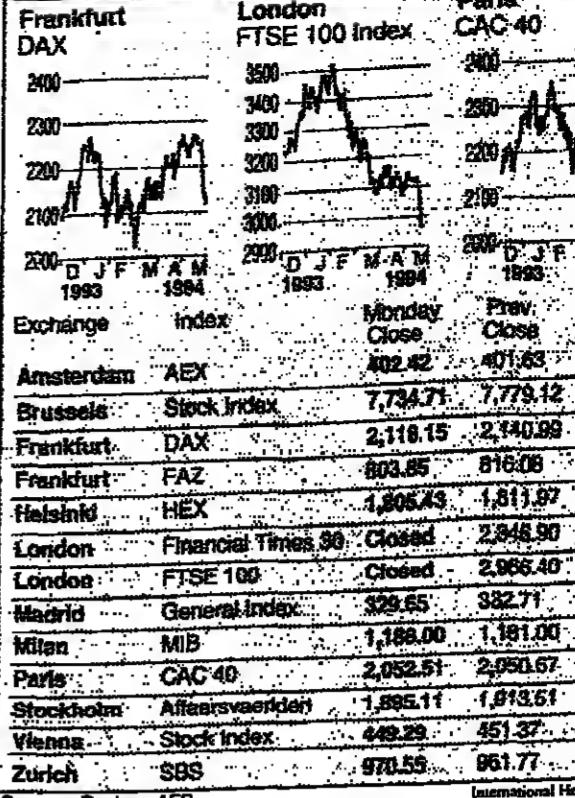
He said LOT's book value was 2.2 trillion zlotys (\$98 million), but that the government needed to assess its real value.

In 1988, LOT was the first Eastern European airline to purchase Western commercial aircraft after four decades of operating Soviet-built planes.

It annually flies 1.2 million passengers to 53 destinations.

LOT operates three Boeing 767 aircraft on overseas routes to the United States and Canada and on longer international flights. Eleven Boeing 737 planes fly on European routes.

# Investor's Europe



Sources: Reuters, AFP

Paris CAC 40

## Very briefly:

• Compagnie de Suez said it would sell as much as 4 billion French francs (\$711 million) of real estate assets owned by its subsidiary Compagnie Fonciere Internationale to the investment company Unibail.

• Arnaldo Mondadori Editore SpA, the publishing company controlled by Prime Minister Silvio Berlusconi of Italy, will sell a stake of more than 25 percent to foreign investors, a board member said.

• Euro Disney SCA expects to have a loss in the six months ending in September, its chairman, Philippe Bourguignon, said, but its recent financial restructuring "will provide the company with sufficient funds to continue operations."

• Preussag AG said net profit rose 5 percent, to 121 million Deutsche marks (\$73 million), in the six months ended March 31 on rising earnings in its energy, trading and machinery sectors; sales edged up to 11.1 billion DM from 10.9 billion DM.

• Agip Petroli SpA, the oil refining and distribution subsidiary of the Italian state energy company Eni Nazionale Idrocarburi, said net profit rose 11 percent in 1993, to 155.3 billion lire (\$98 million), as gross sales climbed 10 percent, to 33.787 trillion lire.

Bloomberg, AFP, Knight-Ridder

## AGF Says Sales Rose 6%

Bloomberg Business News

PARIS — The French insurer Assurances Generales de France SA said its sales rose 6 percent to 20.8 billion francs (\$3.6 billion), in the first four months, compared with the same period of 1993.

The company's chairman, Antoine Jeancourt-Galigani, asked whether he was worried by the fall in the price of AGF shares since the beginning of this year, said "All the insurers have seen their share price fall, more or less in the same proportion."

Shares in AGF hit a 52-week low at 486.2 francs on Friday after losing 31.8 percent since the beginning of the year. On Monday, AGF was trading at 493.9.

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## INTERNATIONAL CLASSIFIED

### Today's EDUCATION DIRECTORY

Appears on Page 4

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### Attention visitors from the U.S.

# Japanese Data Suggest Revival For Economy

Reuters

TOKYO — Japan released better-than-expected industrial output figures Monday, a sign its economy may be turning the corner after three years in the doldrums, private economists said.

"From now on the feeling the economy has bottomed out will strengthen," said Nobuyuki Saji, economist at Nikko Research Center. The Ministry of International Trade and Industry said Japanese industrial output fell a preliminary 1.4 percent in April from March and a preliminary 1.5 percent from April 1993. The figures were adjusted for seasonal factors.

Economists said the decline was less steep than the 2 percent-to-3 percent drop many had expected after a 4.6 percent rise in March, when corporations cranked up pro-

duction ahead of the end of the fiscal year.

MITI also said output by manufacturers, a key component of the overall production figure, was likely to fall again in May by 1.4 percent but rise 1.3 percent in June.

"It's the beginning of the end of the recession," Jesper Koll, chief economist at S.G. Warburg Securities (Japan), said. "This year the January-to-March quarter is unlikely to be a one-quarter wonder the way it was last year."

Hopes that recovery was at hand also emerged last spring, only to be dashed by the yen's rise against the dollar and an unseasonably cold summer. Many hope this year will be different.

Some analysts said the recovery was unlikely to be robust in its early stages but could still be undone should the yen strengthen further against the dollar.

"The strength of recovery will be weak," said an analyst at Sakura Bank Ltd.

## ■ Japan Bank Loans Down

Japan's bank loans fell slightly in the first quarter from a year ago, reflecting weak demand from companies. Bloomberg Business News reported from Tokyo.

Outstanding loans by 150 Japanese banks amounted to \$97.9 billion (¥10.8 trillion) in the quarter, according to the Bank of Japan's statistics. That was down very slightly from \$98.16 trillion a year before, when loans grew 1.3 percent.

Lending to corporations grew 1.5 percent in the quarter, down from a rise of 5.5 percent a year ago. But loans to manufacturing concerns decreased 1.1 percent, down from a 0.1 percent rise a year ago.

In contrast to sluggish corporate loans, demand for housing loans was firm because mortgage rates are at historic low levels, the central bank said. Housing loans increased 1.4 percent in the first quarter, compared with a 0.3 percent rise the year before.

## NEC to Shift Output to U.S.

The Associated Press

TOKYO — Hoping to cut costs, NEC Corp. said Monday it planned to start mass production of advanced computer-memory chips in the United States within a year.

The computer maker plans to increase its production of 16-megabit D-RAMs, or dynamic random-access memory chips, to 1.5 million a month at its plant in Roseville, California, its senior vice president, Hajime Sasaki, said. The plant currently produces about 45,000 of the advanced chips a month.

The move will place half of NEC's 16-megabit D-RAM production in the United States, a company spokesman, Mark Pearce, said. NEC and other Japanese manufacturers have been hit hard by rising personnel costs and the high yen, which make manufacturing expensive in Japan. NEC accounts for more than half of Japan's personal-computer market.

NEC's parent, the Associated Press

## Wheellock Acquires Site Of San Miguel Brewery.

Compiled by Our Staff From Dispatches

MANILA — San Miguel Corp., the Philippines' largest food and beverage conglomerate, said Monday that its Hong Kong subsidiary would sell its current plant site in Hong Kong to Wheellock Properties Ltd. for 3.5 billion Hong Kong dollars (\$433 million).

The sale will generate cash for Hong Kong's biggest beer brewer to set up a new brewery and to expand joint-venture projects in China.

San Miguel said Wheellock,

the parent of Wharf (Holdings) Ltd., topped five other bids.

San Miguel will run the present brewery in the Sham Shui Po district during the next 24 months while it builds a new plant. The new facility, on a 4-hectare (10-acre) lot in the Yuen Long industrial park, will cost \$40 million dollars including the price of the land.

The Philippine parent will get 64 percent of the site price, reflecting its equity stake in the Hong Kong unit.

(Reuters, Bloomberg)

# Wrestling With Mieno's Legacy

## Bank Chief's Tenure Sees Japan's Role Transformed

By James Sterngold

New York Times Service

TOKYO — Only a few years ago, an awesomely affluent Japan was in the vanguard of countries that jointly used control of currency and interest rates to solve economic crises. There was great optimism over the benefits of active policy coordination.

It takes only a few minutes with Yasushi Mieno, the plain-spoken governor of the Bank of Japan, to get a sense of how much things have changed. Mr. Mieno, a gregarious 70-year-old whose passion outside of monetary statistics is sumo wrestling, may well become known as the governor of diminished expectations.

With Japan getting little help in halting the punishing rise of the yen these days, the government being criticized for not doing enough to end the recession and the flood of Japanese capital abroad having become a trickle, coordinated action by the industrialized nations has been largely transformed, in Mr. Mieno's words, into a passive exchange about basic policy goals.

"That is the notion of policy coordination that I have," Mr. Mieno said in an interview. His admission reflects the sober mood at the top of Japan's financial system as Mr. Mieno approaches the end of his five-year term. His tenure, which ends in December, covered one of the most tumultuous and humbling eras in Japan's financial history.

Under his stewardship, the Bank of Japan for the first time raised interest rates, not as a remedy for a burst of consumer price inflation — which was almost nonexistent when he took office in 1989 — but to check soaring stock and land prices.

The policy punctuated what is now called the "bubble economy" of the 1980s, a speculative period that sent asset prices to astronomical levels. At the peak, the land beneath the Imperial Palace in central Tokyo was said to be worth more than all the real estate in California.

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The central bank's action triggered the longest recession in the postwar period. Mr. Mieno then reversed course and engineered the lowest official interest rates ever, cutting the discount rate — the rate the central bank charges on loans to commercial banks — from 6 percent to 3 percent in June.

But the cheap credit has failed to ignite an economic recovery because, some contend, Mr. Mieno's experiment in controlling asset prices went on too long.

More than \$6 trillion in asset values have been wiped out, the real estate market is practically dead and commercial banks are saddled with massive bad debts. It is no wonder that Mr. Mieno is regarded with a combination of fear, respect and anger — but never indifference.

With Japan getting little help in halting the punishing rise of the yen these days, the government being criticized for not doing enough to end the recession and the flood of Japanese capital abroad having become a trickle, coordinated action by the industrialized nations has been largely transformed, in Mr. Mieno's words, into a passive exchange about basic policy goals.

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Some Japanese consider him a hero for having stopped the orgy of speculation during the 1980s and putting the economy on a more solid footing, even if the medicine was been painful.

"My view is that nobody could have behaved better during such an unlucky period," said Yoshiro Suzuki, chairman of the advisory board at the Nomura Research Institute and a former top executive at the Bank of Japan.

There was virtually no price inflation, but Mr. Mieno was accused because of a belief that soaring asset prices would eventually provoke inflation.

Some still question that view. Shin Kanemaru, formerly the country's most powerful politician, suggested several years ago that someone ought to behead the central bank governor.

"It was a question of degree," said Makoto Ushio, the vice minister of finance at that time and now a professor at Keio University.

"The point all along was to avoid a hard landing. I think if we had tightened more slowly we could have had a soft landing."

The years under Mr. Mieno have left the Bank of Japan with several perplexing problems that could influence policy well into the future. For one, the bank has to decide whether his campaign against soaring stock and land prices was a one-time farce or

will be a long-term policy.

If it is a long-term policy, it raises the question of when a bull market crosses the line into the dangerous "asset inflation" that Mr. Mieno attacked.

"We still don't know the connection between monetary policy and asset prices," said Makoto Wakatsuki, a former deputy governor at the Bank of Japan, now chairman of the board of counselors at the Japan Research Institute.

The central bank must also decide where to draw the line between ridding Japan's markets of their burden of regulation — Mr. Mieno's long-stated policy — and using regulation to maintain the kind of order with which the bank is obsessed.

"It is uncertain to what extent financial liberalization affected behavior during the period of the financial bubble,"

# SPORTS

## Brewers Get a Lift From Yount

The Associated Press

Milwaukee capped a three-day celebration of Robin Yount's career with the kind of effort that epitomized No. 19's 20 seasons with the Brewers.

Trailing by 7-0 in the second inning, the Brewers rallied for a 9-8 victory over the Seattle Mariners on Sunday in Milwaukee.

"It would have been easy to fold," said Greg Vaughn, who hit a



The Dodgers' Eric Karros came in on the low road in the 3d inning. The throw to third by Don Slaught of the Pirates was too late.

two-run homer. "Something Robin ingrained on the Brewer ballclub is that you play one way: hard, every day."

In pregame ceremonies, Yount, who announced his retirement last February after playing 2,856 games with the Brewers, had his jersey retired and was presented with a motorcycle. Yount rode once around the field, then left the stadium through the right-field bullpen to a standing ovation.

The Brewers had lost a club-record 14 straight games before the series, billed as "Robin Yount Weekend," before sweeping the Mariners.

"Robin has been a tremendous person in my life," said Vaughn, who capped a four-run sixth with a homer, his ninth, off Tim David. "I try to model myself after such a great player. He gave us an emotional lift today."

Seattle, which had gotten six runs with two outs off Teddy Higuera in the first and led 7-0 in the second, lost for the 20th time in 25 road games.

The Brewers scored four runs in the second on consecutive hits and RBI singles by Jose Valentin, Daryl Hamilton, Turner Ward and Vaughn off the Mariners' rookie starter, Roger Salkeld.

Milwaukee caught Seattle in the sixth. B. J. Surhoff tripled and

scored on Jody Reed's single. Ward's sacrifice fly scored Valentin to make it 7-6, and Vaughn followed with his homer.

Royals 10, Yankees 6: Vince Coleman tripled twice, singled twice and drove in three runs as Kansas City Royals stopped the visiting Yankees' four-game winning streak.

Coleman tied a team record for triples in a game. He has 10 hits in his last 23 at-bats after a 3-for-25 slump.

Mark Gubicza ended his six-game losing streak against the Yankees. Terry Mulholland allowed seven runs and 10 hits in seven innings.

Orioles 8, White Sox 4: Sid Fernandez gave up three hits over seven innings before yielding a single and Tim Raines's two-run homer in the eighth.

Thomas, who has homered in five straight games, went deep with one out in the fourth to become the fastest White Sox hitter to reach 30 in a season. Dick Allen hit his 20th homer in his 75th game in 1972. Thomas, batting .465 in May, hit No. 20 in his 46th game.

Rangers 8, Red Sox 6: Dean Palmer hit a three-run homer, and Ivan Rodriguez homered two pitches later to highlight a five-run fifth.

Juan Gonzalez of Texas and Mike Greenwell of Boston were injured on the same play in the third inning. Gonzalez hurt his right knee fielding a double by Greenwell, who injured his hip running to second. Both players soon left the

game, although neither injury was expected to be serious.

Tigers 5, Twins 4: In Minneapolis, Juris Feivs drove in four runs and Bill Gullickson allowed one run over seven innings as Detroit held an opponent to less than two runs for the first time this season.

Gullickson, who had compiled a 9.82 ERA in losing his previous three starts, gave up eight hits, struck out five and walked one. Mike Gardner pitched the final two innings.

Travis Fryman drove in the game's first run in the top of the first with a sacrifice fly. Two batters later, Feivs hit a three-run homer, his third of the season and third in four days. Feivs' sacrifice fly made it 3-0 in the third.

In earlier games, reported Monday in some editions of the Herald Tribune:

Cubs 4, Braves 2: Sammy Sosa homered on the first pitch of the game from Tom Glavine, and visiting Chicago went on to start Atlanta.

The Deion Sanders-for-Roberto Kelly trade was announced in the second inning at Atlanta-Fulton County Stadium, and the fans booted.

Glavine gave up four runs and six hits and seven walks in 6 1/3 innings. Jim Bullinger pitched six strong innings as a late replacement for Jose Guzman, who had a stiff right shoulder.

Randy Myers struck out Bill Pecota with the bases loaded to end the game, giving the Cubs their 10th victory in 12 games.

Kevin Gross won for the fourth time in five starts. Todd Worrell gave up a single and a walk in the ninth before Darren Dreifort relieved for his sixth save. Zane Smith fell behind by 4-0 in the third inning.

"I think defense is important," Williams said. "We don't have a bunch of Nolan Ryan's who are just going to blow the ball by everybody. Our pitchers are going to throw strikes, and they're going to put the ball in play. We have to be ready to back them up and field our position. We take a lot of pride in our defense."

Barry Bonds also contributed defensively when he threw out Brett Barber at the plate from left field in the second inning.

Hamilton called up from Class AAA Las Vegas last Tuesday, gave up one run and six

hits in six innings. Jeff Tabata got his first major league save.

Derek Bell hit a two-run homer for the Padres, his first since April 22. Tom Uream was the loser.

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Bobby Jones gave up eight hits in eight innings. John Franco got his 12th save. His 10th with the Mets.

Eric Karros

AP Wirephoto

# SPORTS



Soccer star Ruud Gullit pausing during a press conference Monday at which he announced his decision to skip the World Cup finals.

## Gullit Quits Dutch World Cup Squad

Compiled by Our Staff From Dispatches

NOORDWIJK, Netherlands — Dutch soccer star Ruud Gullit walked out of the national side's training camp on Monday and said he would not go to the World Cup finals with the team next month.

Gullit said at a press conference here that he would not give a reason for his departure until after the World Cup, which begins next month in the United States.

Sitting next to Gullit, coach Dick Advocaat said he regretted the decision.

He also said that he wanted to know the reason for Gullit's departure as soon as possible to quash rumors.

Recalled after a 13-month ab-

sence, Gullit, 31, played the first half of a friendly match against Scotland last Friday. Replaced for the second half of the game, he later criticized the Dutch game plan.

He was quoted then as saying that the Dutch team should alter its tactics to cope with the expected high temperatures and humidity in the United States and to counter the likely defensive nature of such first-round opponents as Belgium and Morocco.

Advocaat responded on Saturday by saying that he was in charge of the team and not Gullit.

On Monday, Advocaat dismissed the suggested link between Gullit's departure and the team's tactics.

Nevertheless, the move was major blow to Dutch hopes for the World Cup.

Squad captain Ronald Koeman said: "The moment is badly chosen. The team needs a bit of peace.

He has hurt us leaving this way because the team now has to do something different again."

He added: "An in-form Gullit is important to the team. It's a slap in the face. The players were amazed."

Gullit went into exile from international soccer in April 1993 after he was substituted during a World Cup qualifying match against England at Wembley. It was the second time he had quit international soccer in just over six months.

Gullit has 65 Dutch caps and captained the Netherlands to European Championship victory in 1988 after making his debut against Switzerland in 1981.

He recently signed a one-year contract with AC Milan, for whom he played from 1987 to 1993.

Last season he played for Sampdoria, Genoa, also in the Italian League, regarded as the world's toughest national competition.

During his absence, the Netherlands qualified for the World Cup finals, but his attacking flair and vision would have made the Dutch a more formidable opponent.

Gullit had said recently that the World Cup finals would mark the end of his international career.

(Reuters, AP, AFP)

## Can Italy Harness Berti the 'Anarchist'?

By Ken Shulman

Special to the Herald Tribune

FLORENCE — He does not fit in. His idiosyncrasy is apparent in everything he does, in his lanky, disjointed gait, in his inability to conform to an on-field role, and in his playful, mocking posture with journalists and fans.

Nicola Berti is so different from his coach's preconceived idea of a national team player that even an authoritarian mentor like Arigio Sacchi knows better than to try to change or channel such talents.

"Berti has impressed everyone in this camp with his spirit, and with his temperament," says Sacchi. He was speaking at Sportfile, an isolated, well-guarded athletic facility on a hilltop in the verdant Romagna region where the Italian team scheduled its first stage of the World Cup preparation.

"As a player, and as a person, he has characteristics that are different from those of all the others," Sacchi said. "These differences could be very positive for this team. It all depends on how well he manages to adapt to our style of play."

It also depends on how well Sacchi's exceedingly well-organized team adapts to Berti. After a difficult World Cup qualifying run — a series of matches in which Sacchi experimented with more than 60 players — Italy has suffered two major disappointments, and a major humiliation.

In February, Sacchi's "azzurri" lost in a friendly match against France, a team that failed to qualify for USA 94. In March, the azzurri fell, 2-0, to the defending world champions, on Germany.

An even more worrisome defeat came when the three-time world champions (Italy, Germany and Brazil) are the only nations to have won three World Cups) dropped a 2-1 scrimmage to the third-division Pontedera team.

The problem was Italy's attack. With AC Milan's Franco Baresi and Paolo Maldini as the mainframe for the defense, Italy's rearguard was solid. So was its midfield. But the forwards, and particularly the scoring star Roberto Baggio, were out receiving a sufficient supply of playable passes. Isolated, the Italian attack was unable to breach vital defenses.

Had the calculated, full-field game that Sacchi had instilled in his successful AC Milan team been effectively transposed onto the national team, the 48-year-old coach would never have dreamed to invite yet another player to his training camp. And certainly not a player who had only returned to action in April after having been sidelined for six months with torn ligaments in his right knee.

But Sacchi knew that his national team cockpit needed something to liven it up. So the 54-year-old Berti, who returned to action in time to save his Internazionale of Milan club from relegation to the second division, and also to spearhead it to its UEFA Cup triumph, was invited.

"I called Berti back to the team because I saw that he had made some progress," says Sacchi. "He has a very strong identity. And tactically, he is more mature."

Berti has always been a free spirit, both on the field and off. In Florence, where he made his Italian first division debut with Fiorentina, he was an offensively-minded winger whose unbridled enthusiasm of ten sparked explosive, full-field charges and ignited furious scrambles.

He was — and is — a player who ran, fought and hustled for 90 minutes a game. He had a knack for cracking open a gridlocked contest, and another for scoring important goals. He would emerge from a scrabble at midfield, cutting through a sea of twisting bodies, some-

how maintaining both his balance and control of the ball as he churned toward the goal.

At Inter, which purchased Berti in 1988, Coach Giovanni Trappattoni converted his new acquisition from wing to attacking midfielder. In his first year with the Milan club, Berti scored seven goals and helped the team to the first division title. His rampaging style inspired his teammates and made him the favorite of the Inter fans.

Yet the same fervor that fuels his breathtaking breakaways also propels Berti to leave his preassigned zone of action to chase the ball across the field — and across the paths of his teammates.

Berti still teems with spirit. He plays each match as if it were his first — and his last. The former Fiorentina coach Aldo Agroppi, who considered Berti his prize pupil, used to call him "the anarchist."

Berti was a starter on the 1990 Italian World Cup team, and played five matches until receiving his second yellow card against Uruguay. He also played the first two matches during Sacchi's reign before Italy's new coach discarded him. Then he tore up his knee in a league match in October.

"You have no idea how important it is for me to be here," says Berti of the national team training camp. "When I was injured, I thought even more about the national team than of getting back to Inter. I can't say that I expected to be here. But I was hoping Sacchi would call me. That gave me one more reason to heal."

It remains to be seen whether this self-styled "loose cannon" will find a place in Sacchi's disciplined artillery. Sacchi may even choose to use him off the bench, lobbing him like a grenade into a torid match and hoping that he does more harm to his opponents than to his own teammates.

## Ivanisevic Leads a Lackluster Walk To Quarters in Bottom Half of Draw

By Ian Thomsen  
International Herald Tribune

PARIS — The top half of the French Open draw is controlled by No. 1 Pete Sampras, the two-time champion Jim Courier, the defending champion Sergi Bruguera and the future champion Andrei Medvedev. The bottom half is being managed by a bunch of knuckleheads.

The highest-ranked knucklehead was Michael Stich of Germany, the No. 2 seed who last week couldn't have won his second-round match if his opponent had been riding a donkey. The straight-set winner of that match, Aaron Krickstein, might have taken good care of this windfall path to the semifinal. But, no, he went out and blew it Monday in a 6-4, 6-4, 6-4 fourth-round loss to a 19-year-old German named Hendrik Dreckmann, who, it should be noted, is studying to become an industrial salesman.

So No. 89 Dreckmann will play No. 46 Magnus Larsson of Sweden in one quarterfinal.

In the other bottom-half quarterfinal, No. 23 Alberto Berasategui of Spain figures to make things difficult for No. 5 seed Goran Ivanisevic of Croatia.

These will be the big matches on Wednesday, which means for holding tickets to Roland Garros, that Wednesday is looking like a good day to tackle all of that laundry that has been building up.

Anyone who was here Monday will understand.

Larsson beat Jaime Yzaga of Peru, 6-3, 6-2, 6-2. Berasategui advanced with an abbreviated 6-2, 6-0 victory against No. 98 Javier Franco of Argentina, who retired early with stomach problems.

"Well, I guess I am lucky because this is my second match that I won by the other guy's retiring," said Berasategui, who also won his first-round match when Wayne Ferreira of South Africa quit after losing the first set.

Ivanisevic made his third French Open quarterfinal with a 6-2, 5-7, 6-4, 6-3 victory against No. 34 Andrea Gaudenzi of Italy, the only loser with enough fight Monday to win a set. The glamour match of the day, it was highlighted with 134 unforced errors — 80 from Ivanisevic.

One funny thing: After Gaudenzi had double-faulted to allow Ivanisevic to serve out the third set,

chair umpire Zoltan Bognar excused himself for several minutes to visit the toilet.

Where did he go?" Ivanisevic said, frowning. He looked up and saw Gaudenzi climbing the ladder, sitting in the umpire's high chair and announcing into the microphone: "Third set and match. Gaudenzi." Of course, it didn't happen that way, and a few minutes later Gaudenzi was receiving an obscenity warning from the umpire.

Dreckman has surpassed his countrymen, Stich and Boris Becker (who withdrew before his opening match), but doesn't seem likely to replace them. He didn't seem to remember watching Becker win his first title at Wimbledon — the seminal moment in German tennis — and he promised to doggedly pursue his salesman's diploma in spite of any success in tennis.

It is admirable, but out quite so charismatically as Sampras's pursuit of the Grand Slam.

As dreadful as the play was on Monday, it will be paved over

Tuesday by quarterfinals involving the game's best.

First of all, No. 1 Steffi Graf and Mary Pierce will each be playing a last preliminary before their likely semifinal meeting on Thursday.

Pierce, who this week became the first the first French woman in the Top 10 since Francoise Durr in 1976, has lost only four games in four matches, a Grand Slam record.

Either of the men's quarterfinals would be worthy of a French Open final: No. 4 Medvedev vs. his good friend, No. 6 Bruguera, who claims to be lacking the confidence of his title run last year; and Sampras vs. his greatest rival, No. 7 Courier.

Sampras has won 25 consecutive Grand Slam matches and is three away from becoming the first man since Rod Laver in 1969 to hold all four Grand Slam titles.

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